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**DEBATES
and
PROCEEDINGS**

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 25, 1978

Time: 8:00 p.m.

MATTER OF GRIEVANCE (Cont'd)

MR. SPEAKER The Honourable Member for St. George has 13 minutes.

MR. URUSKI Thank you, Mr. Speaker. As I was speaking before the Private Members' Hour I had indicated that the Minister of Finance in his remarks was really critical of members on this side about the number of committee meetings or the lack of committee meetings that were being called by the previous administration, and the like. The Minister of Finance also made comments to the effect that it was members on this side who had spoken in committee on Tuesday indicating that likely the committee would be over in ten or fifteen minutes.

I have received a transcript from the Public Utilities Committee, a copy that was obtained by the Honourable Member for Elmwood, and I would like to quote from that Hansard, the transcript of that committee, and I would like to quote and it is a statement made by, not members on this side, but by the Minister of Public Works. Mr. Enns says, "Well, Mr. Chairman, it would be my hope that there would still be an opportunity of approving MPIC's report in the remaining ten minutes."

I am sure, Mr. Speaker, that the Minister of Finance would not want to leave an impression in this Chamber that it was members on this side that had made a statement that the committee would be adjourned in short order, when in fact it was his own colleague. —(Interjections)— Mr. Speaker, there are some comments coming from across the way saying, "He didn't say it was transcribed." He said he wasn't sure. But there are remarks that are transcribed and they are on the record about the ten minutes, and they were not made by members on this side. They were made by who? The Minister responsible for the Manitoba Public Insurance Corporation, the Minister who reports in this Chamber. That is who made the comments, and it just appears, Mr. Speaker, that the Minister of Finance and members on that committee, and especially the Chairman of the committee, I would hope that he would explain away his — and I hope he was not drawn into it to concur with the move that I can only attribute to the Minister of Highways. Because I can't see the Chairman of the committee falling prey to a scheme which I can only attribute to the Minister of Highways, to try and, I would have to say, possibly embarrass members on this side, but it didn't turn out to be an embarrassment, Mr. Speaker.

It became an embarrassment of the tactics that are prevalent coming from that side of the House, Mr. Speaker. That is what was intended and I hope that the Chairman of that committee is not and has not been party to that type of an action.

Mr. Speaker, as well as the Minister of Finance having to try and defend these things because he is a member of that committee, I believe it is showing a very poor, a very negative or lack of judgment on his part, not allowing the Minister of Highways to get away with a move like that. I am saying that I don't leave that type of a move on anyone else but him. But if the Minister of Finance, being a member of the committee and was there, is party to it, that even shows less of the integrity and the way that the members of the government side handled this situation.

Mr. Speaker, the Minister of Finance in this House talked about members on this side falling asleep, or sleeping in. Well, let's look at his logic of sleeping in, what that really means. If you are three minutes late to the committee, you haven't slept in, but if you are nine minutes late or eight minutes late, you have slept in. That is the logic of the Minister of Finance in this committee. That is how he justifies the actions, the inconsiderate actions of his colleagues and himself, who is a member of this committee.

Mr. Speaker, the Conservative Party has been critical for eight years of this government bringing in Autopac into this province and now not one of their backbench has had a question, not a question after being critical of this Corporation, of the public insurance in this province having been run so inefficiently, by the words of all the members of the opposition, to not now have even one question to the committee. Was the Member for Roblin there questioning insurance now that he is in office? Surely he still must have questions of the chairman and the general manager of that corporation or the Minister, to come to that committee. You backbenchers, are you puppets, that you would not even have one question of the committee and question them? What are you sitting there for?

are you not able to speak for yourself and have questions of the chairman and the general manager about the efficiency in the operation, or is it only when you are in opposition that you do not have any questions of the chairman and general manager of the corporation? Do you not have any guts to get up and speak for yourself, or are you going to rubber-stamp everything that your Minister can come into the committee and speak about? You are just a bunch of puppets.—(Interjections)—

MR. SPEAKER Order please. I hope the honourable members will give the opportunity to the Member for St. George to complete his remarks. The Honourable Member for St. George.

MR. URUSKI Thank you, Mr. Speaker. The Minister of Highways today indicated that he had notified the chairman. Mr. Speaker, I have to say that I am sure that there was a slip-up somewhere but I am just not sure whether that slip-up was not intentional, because of the government's actions in the last number of months. They have consistently tried and consistently are going to undermine the workings of that corporation. First of all, it was the Task Force Report indicating and the Task Force saying that wherever the government competes, they should be moving out of that area. So they are in the general insurance business, so what happens? Management Committee and the Minister of Agriculture sit here, pass an edict, freeze the staff. And frankly, they would have frozen the staff until hell freezes over had it not been raised that they were allowing the general insurance portfolio to wither and die by MPIC.

The Minister of Agriculture is sitting there frowning at me, wondering what I am talking about. The fact of the matter is he sits on the Management Committee. Even his leader said that they made a general policy of a hiring freeze within the province, and that meant the corporation. But they did lift the staff freeze on Autopac when the general manager came forward, and Mr. Chairman, the general insurance freeze would not have been lifted had it not been raised here. Mr. Chairman, it would not have been lifted, as sure as I stand here, it would have gone on and they would have let the corporation not be able to meet its commitment to its policy holders who wanted to do business with that corporation and today's actions by the government in that committee, and only the Minister of Highways can stand up there — he has already embarrassed the House Leader to no end, the House Leader who stands in this House as a parliamentarian of great accord, Mr. Speaker.—(Interjection)— Well, he at least wants to make the members of this Chamber believe that and I have to say that I have to give him some credibility on his stature in parliamentary rules. But today he goofed and today he really had to apologize in a way that he didn't want to. He had to back the committee but yet he had to apologize to the rest of the House saying, "Look, although we made the mistake, you're still wrong; you should have been here. You still slept in and there was no one on the committee." But the Minister of Highways should have let him in on the fact that the Leader of the Opposition did attend that committee.

So, Mr. Speaker, the government bench today has brought about a move that I believe and I hope that they will reconsider and allow the opposition members and allow the members on this side to question the Chairman and General Manager of the corporation. If they are not going to allow this move to be made, well knowing that they have railroaded that report to be in, I believe that democracy is going to and has suffered in the Province of Manitoba.

MR. SPEAKER On the proposed motion of the Honourable Government House Leader, seconded by the Honourable Member for . . . The Honourable Minister of Highways.

MR. ENNS From the noise that I am hearing, I feel it's about \$100,000 night for Autopac, with hailstones being reported as being that big all around this building. You will excuse me if I express that concern.

MR. SPEAKER The Honourable Member for Roblin.

MR. MCKENZIE Mr. Speaker, on this waste of a whole day of us using up hard-nosed government tax dollars for a bunch of mumble-jumble that is absolutely meaningless, I am going to be very brief and stand up and defend our Whip on this debate.

Mr. Speaker, I surely cry for members opposite though because they don't have a Whip; they don't have a leader; they don't know who is running what. They are running wild. They are running rampant. Nobody knows what's doing what. It's unbelievable. I couldn't believe, the other day, until I saw the former Attorney-General choke up in the committee and he said, "We are still dealing with Rex versus the Crown." And he raised it four or five times and the Attorney-General raised the matter that Rex is not on the documents of the Attorney-General's Department.

mr. Speaker, shall I continue because I don't think the members opposite want to hear what I have to say? But I will carry on and I'm sure the microphone will pick it up. I am prepared tonight to offer members opposite our Whip, the Honourable Member for Gladstone, to go over and sit with you and he will be the Whip for you and our party. Our Whip had our members there this morning in the committee. They were there at 10 o'clock and if you want our Whip to come and whip your party, let us know, because I don't know who your Whip . . . You didn't have a Whip yesterday. You didn't have one the day before. The same with the leader. When have you had a leader over there last? I haven't seen a leader there for the last two weeks. This party, this loyal opposition of her Majesty, running wild, running rampant without a leader, without a Whip and they stand up and tell us that we have got to change the rules; we have got to change the clocks; we have got to change everything for them. My friends, forget it.

We are the government, don't you remember? We are the government. We have the authority to carry out the wishes of the government and if you're going to be on committee, be on time, not 20 after, not a quarter after . . . —(Interjection)— The Member for St. George, he comes screaming in here yelling. He wasn't here last Tuesday. Who is he kidding?

A MEMBER He's not on the committee.

MR. McKENZIE He wasn't here last Tuesday; he doesn't know what was said. He comes in here, so he left home 20 minutes early and he blames us because he delayed, he was talking with Mr. Dutton. I know he was his former . . . I guess he had him under his wing because he was the Chairman of the committee in those days, but we changed that around. It's a tragedy. I feel sorry for you over there, I really do. You're without a leader, you're without a Whip, we'll offer you our Whip, we'll whip your party and ours will have you on time. Do you want us to give you all alarm clocks? Do you want to give us a new set of rules? Do you want to give us the constitution? Do you want us to show you how to run a government? If you want it, we've got it.

We've got a Whip, we've got a leader, we've got a party, we've got a government and we're going to run this province, and don't come crying the blues to us because we're following the dedication of the people of this province, carrying out our mandate and everything is going to be on time. —(Interjection)—

I'm surprised. I know the Member for Selkirk is running for the leadership of the party, he's striving, he's grabbing straws all over. I don't know where he'd get even three supporters amongst his own gang though, because nobody trusts him over there. We sure don't trust him over here. I just wonder how much support he's got in that caucus.

I know the Member for Inkster would like to go. I hear now the Member for St. George today, he's tooling up, he's ready to go. Now, who's the next . . . Oh, the Member for St. Johns. But he's not here today. No, he's carried the ball for the last two weeks. He was leading the party. But where's your leader tonight? Where's your leader and the thrust of this great tirade that you're bringing in?

MR. SPEAKER Order please. May I suggest to the honourable member that it is very unparliamentary to say something about a member who is not in the Chamber. The Honourable Member for Roblin.

MR. McKENZIE Mr. Speaker, I withdraw. Just for the record, to show how touchy they are and how tender they are, when the former Attorney-General in the committee the other night started mixing up Rex with Regina, that made me say that they are not prepared to deal with the matters that are before the House; they're not prepared to deal with the legislation which they have before them; they're without a leader; they're without a Whip; they're running rampant; they're running wild; we only see of the evidence. All day today, for what, for nothing, because they were late. —(Interjection)— They were late, we weren't late. Our Whip had our members there at 10 o'clock.\$

A MEMBER No he didn't.

MR. McKENZIE One minute after 10. —(Interjection)— So they want us to bleed all over the place and pray and beg to help them get there at 20 after or a quarter after, or 15, what's the difference. Mr. Speaker, don't let members opposite confuse the committee or the people of this province.

The press you know, I like the one they did on the news that I heard at 5:30. They said the whole thing was over in two minutes. Of course, we know the press today. I doubt very much in all my years here I've ever heard the press talk about Roblin, I don't think they ever had, and never

will because they don't know where it is and they don't care about Roblin. I've been here since 1966; I've yet to see the press write anything favourable about me or Roblin and I know they're not going to do it because they don't, for some reason —(Interjection)— they like to go with members opposite.

I liked the one the other day on a Speaker's Ruling. Here they showed the Speaker without a tie and the member who was asked to put a tie on, he was shown in the picture with a tie on; and that's the kind of press we're getting in this country. That's the kind of press that's causing all the problems that we have around the world today. They're not printing the truth, not printing the facts, the members opposite over there are bleating and the television cameras are flowing but the country is getting more difficult, more difficult to manage. I'll just tell you again — we'll buy you alarm clocks, you can use our Whip, we'll even give you our leader, and help you to get through this session. Thank you, Mr. Speaker.

QUESTION put, MOTION carried and the House resolved itself into a Committee of Supply, with the Honourable Member for Roblin in the Chair for the Department of Health and Social Development and the Honourable Member for Crescentwood in the Chair for the Department of Executive Council.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — EXECUTIVE COUNCIL

MR. CHAIRMAN We are on Page 6 of the Estimate Book, Item 5 or Resolution 7, Manitoba Housing and Renewal Corporation—pass — the Minister responsible for Manitoba Housing and Renewal.

MR. JOHNSTON Thank you, Mr. Chairman. Before we begin the review of the Housing and Renewal Corporation for the current year, I would like to make a few introductory remarks.

When the former Minister responsible for MHRC presented his Estimates in this House one year ago, he boasted that in the recent years Manitoba had developed the highest number of public housing units per capita of any province. During the past eight years the former administration turned the business of providing Manitobans with decent housing into nothing more than a numbers game. The chief concern was how many units they could squeeze out of the taxpayer's dollar in every fiscal year.

The result is the situation the present government has been confronted with in the last six months: / Housing constructed for sale, which remains unsold because it was built without regard for market needs; lists of public housing projects promised to communities where there appears to be little, if any, legitimate demand; skyrocketing subsidy costs in existing public housing which will place an increasing strain on the public purse in the years to come, even if no additional public housing were built.

In order to come up with numbers demanded by the previous government, MHRC was forced to extend its budget and its staff without the benefit of any long-term planning, framework, or any rational objectives.

Anyone who has ever run a business or an organization knows when you have this kind of rapid expansion you eventually have to pay the price. You can do it voluntarily and rationally at a time of your own choosing ' or you can wait until you are forced into it when the whole thing crashes down around your ears. The price, Mr. Chairman, is taking some time out to assess, to evaluate, and above all to do some long-term planning. The time has come to end the hazardous housing initiatives of the previous years and to develop workable objectives for the future.

In spite of all the public housing units constructed by previous government many Manitobans still have severe housing problems, whether they are in low or moderate income groups.

Publicly owned housing cannot solve all these problems. There are alternatives, none of which received more than token consideration from the former administration.

In the coming year MHRC's emphasis will be on examining alternatives, on re-evaluating criteria used in the past in developing housing programs. By the end of this year we will be in a strong position to respond to the housing needs of Manitobans in an effective way.

I would like to point out, Mr. Chairman, that the Manitoba Government is not alone in reviewing its involvement in the housing field at this time. The Federal Government is currently evaluating all aspects of the National Housing Act and major changes in all Federal programs will result. In many cases those changes may result in greater financial burden on the province.

In the area of low income housing, the funding under Section 43, used to finance Manitoba's

12,000 units of public housing may no longer be available. Instead, Federal officials are developing a program which will increase the effectiveness of low-income housing programs, facilitate the entry of private capital into the low-income housing, and reduce the visibility of low-income housing projects through blending of incomes.

Changes proposed for AHOP programs would effectively reduce the household income required to carry monthly payments and extend AHOP benefits to existing housing stock. MHRC is currently working out details for several new provincial housing assistance programs. One of these is a major program to meet the needs of a group of people virtually ignored to date. Mobile homes are a housing alternative that is being chosen by more and more people, yet they face a severe shortage of mobile home financing. We will be introducing a program to make this a viable alternative.

Another program that will be looked at will be a program to help low-income families acquire their own homes which would involve the financing of second mortgages in the way of grants over a long-term period.

The third program will provide rental assistance to persons currently on public housing waiting lists, to enable them to live in private sector houses. A fourth will be to provide assistance to co-operatives in the form of operating grants, so that the benefits of co-operative housing can be extended to families in the \$9,000, \$14,000 income range. These programs have approval in principle of MHRC's Board of Directors and the staff are now developing and working on guidelines. I will be announcing these details in the House as soon as they are available.

My staff have now had several meetings with the Federal housing officials, and out of these discussions, we will develop a housing program to meet the real need of Manitobans and to meet them in a meaningful way. In closing, Mr. Chairman, I can assure this House that any housing program introduced by this government will be based on criteria that meets the standards set out in the Act under which MHRC was set up. It will be based on rational principles that are responsive to the great variety of Manitoba's housing needs.

Mr. Chairman, I would also like, at this time, to say that the co-operation that I have had from the staff of the Manitoba Housing and Renewal Corporation has been one that has been excellent. They have worked long hours and very hard over the past eight months that I have been their Minister, and I would like to say that they are very co-operative and wonderful people to work with. I would also like to say, as I said last year in these Estimates of the Housing Corporation when I was the critic for the Opposition, "Stop, look around, see where you're going, the planning of the corporation is not there." I repeatedly said that on the Minister of Industry and Commerce's Salary when I wound up, and I can assure you that that is something that we are doing at the present time, looking to where we're going.

I also said last year that the staff of MHRC were a good staff, and I found out, even more so, that they are. I say it's the policy of the government which has put the MHRC into some of the problems that I say are there, and not the staff. Thank you, Mr. Chairman.

MR. CHAIRMAN To the members of the committee, I have two persons that have indicated they would like to speak — the Member for Transcona firstly and then the Member for Burrows. The Member for Transcona.

MR. PARASIUK Thank you, Mr. Speaker. I am glad the Minister acknowledged that the technical staff of the Manitoba Housing and Renewal Corporation were competent but that contradicts his statements about definitions of need which were developed by the technical staff. The technical staff have done analyses in various parts of Manitoba and they were the ones who were defining what the needs were in terms of public housing and senior citizens' housing. They always can't be perfect in divining that need exactly but they have done a very good job over the last eight years. I am sure that if given a free opportunity to define the needs of Manitobans with respect to housing, they will be able to continue to define that need accurately, if they are indeed given the opportunity.

Prior to the New Democratic Party government being elected, we had had a Manitoba Housing and Renewal Corporation that basically had no staff. It had no program. It was, in fact, a shell or a dummy corporation. I would hate to have it turned into a dummy corporation now.

Prior to 1969, very few housing units were built under the auspices of the Provincial Government. The Provincial Government, at that time, relied on the private sector to meet the needs of low income families and of senior citizens. This turned out to be a completely wrong policy and it was hurting us financially and hurting us in physical terms. Money that CHMC was allocating to the Province

of Manitoba for the construction of needed senior citizens' housing and public housing was going to other provinces, especially Conservative Ontario and utilizing money that we gave up. Utilizing money that we, in Manitoba, gave up, the Province of Ontario was able to build up, over a period of years, a fairly good social housing stock.

In 1969 we didn't have a social housing stock and, as a result, the government of the day had to embark on a program which over an eight- -year period built over 12,000 public housing units and over 7,000 senior citizens' units. That was done through public initiative. The question is, since those units are indeed filled right now, weren't they needed? Those units were built in relation to an analysis of need done by the technical staff of the Manitoba Housing and Renewal Corporation and built as efficiently as possible, through a tendering process utilizing builders in the province, and through that process we built over 12,000 units. They are filled; people are living in them. Where would they be living if, in fact, we didn't have those units? And somebody from across the way — I think the Member for Pembina — says, "All of them." There may be 10 or 20 units that aren't filled. Now, if in fact the Member for Pembina thinks that that is a sufficient reason for stopping the program, then I think his knowledge of the margins that one applies with respect to vacancy rates is pretty shallow. What we have right now, because of that type of attitude and I think it is an attitude on the part of the new government to find any excuse whatsoever to get out of any type of social housing program.

So what they have done last fall is announced that they are cutting back a program that was planned for, a \$58 million program, and they cut it back to a \$22 million program. They cut back a number of senior citizen complexes. The Minister at that time said, well, this was because the New Democratic Government really hadn't pushed hard enough with CMHC in terms of getting the commitments in place. He didn't check to find out that this was in fact rather normal procedure in terms of working with CMHC over the calendar year to try to get the commitments in place. But he promised that the social housing program was not cancelled. We had said that it was cancelled at that time. No, he said, this was not cancelled, this was just being cut back. We are now into the 1978 calendar year and I have heard not one announcement of a new senior citizens project. I have heard not one announcement of a new project for low income families, and this in spite of the fact that we still have continuing inflation. Yet, if you look at every senior citizens complex in Winnipeg, where I was able to do some personal checking, you will find that there is a waiting list; there is a waiting list for every complex that exists and people like the Member for Pembina would like to go out and tell those people —(Interjection)— I have asked the Manitoba Regional Housing Authority and I trust the Manitoba Regional Housing Authority much more than I would trust the Member for Wolseley. The Member for Wolseley has rarely ever been accurate. I would trust the integrity of the Manitoba Housing Authority which sent me a written document indicating that there are waiting lists for every one of the senior citizen complexes.

So we have a housing crisis in Manitoba. We have a housing crisis and we have been waiting for a long time for a somewhat mute Minister to come forward with what would constitute the program of his government. He has had seven months. So here we have the Minister coming forward after seven months and saying that he is going to solve the housing crisis of Manitoba with mobile homes. Incredible. We are now going to call him the Minister responsible for Mobile Homes, or the Mobile Home Minister, or the Mobile Minister. What he doesn't realize is that mobile homes aren't the answer to our housing crisis. I wonder how many people are going to be that anxious to go into mobile homes. I wonder how anxious people are to go into a home which depreciates in value over time as opposed to appreciating in value over time. I wonder if you are going to get the same space. I wonder if you are going to get the same longevity out of that unit as you would if you were in a conventional housing unit.

But the Minister has said, "We'll solve that problem; we will put people into mobile homes." Conceivably we could put them into boxcars as well, but I don't think that is the answer. I don't think that is the major answer and that is the first program put forward by the Minister.

MR. EVANS Mr. Chairman, on a point of order, I am trying to listen to the Member for Transcona and we are continually being interrupted by very unparliamentary remarks from the Member for Pembina. If he wishes to make those, he should get out of this room. Let's carry on the business of government.

MR. CHAIRMAN Just before we carry on, ladies and gentlemen, we have a full attendance at this committee and today has been a difficult day for all members of the House, so perhaps we can ask all members if they would try to co-operate. The Member for Transcona has been recognized as the speaker. Would you please at least listen to him, if you don't want to listen to him, you

are welcome to leave the room. The Member for Transcona.

MR. PARASIUK Thank you, Mr. Chairman. The other alternative put forward by the Minister and it is not a specific alternative and it is not definite, is to put people who might be eligible for public assistance into private apartments. He is saying that he doesn't want the public to be the largest landlord in Manitoba, so what he would prefer to do is use public money to provide rent subsidies to whom, to the individuals or to the private apartment block owners? And this is a critical question, Mr. Chairman, because the rents that are required to amortize public housing are those that are required to amortize the construction costs and those construction costs are amortized over a twenty, thirty or forty-year period. But if in fact you start paying rents in the private sector, you are paying rents which are determined by what the market will bear. You are not basing the rents on the construction costs because if you look at the rent that one has to pay in some of the older blocks, say some of the older blocks on Kennedy, you will find that the construction costs of those blocks are quite low. If you look at the amortization costs, they are quite low. But you are not paying the amortization costs in the rent, you are paying the present market value which is quite inflated. So that means over a period of time, if we utilize public money to subsidize people in private units, we will not be able to put as many people into decent accommodation as we could if we in fact built the units ourselves and used them over a period of time. Surely there is nothing wrong with the public owning housing units; they are an asset; they appreciate over a period of time. Later on I will be trying to get estimates from the staff as to what the present value of the housing units that are presently held by Manitoba Housing and Renewal Corporation are. What is the present market value? And the present market value will be much greater than the construction costs and yet the rents that are being paid are on the construction cost amortization requirements.

So this is a dangerous new path that the Minister seems to be embarking on. I think that this is a path that has been imposed upon the Manitoba Housing and Renewal Corporation and I am looking forward to the Minister providing detailed explanations as to why he is forcing the Corporation to follow that path.

He also turns somewhat idyllic and talks about utilizing co-operatives and I find that rather ironic in that consistently his party has been against seed money going into co-operatives. I can recall last year when the start-up grant to the Boni Co-op was being discussed in the Legislature, it was his party that attacked that seed money, that attacked that grant to the Boni Co-op to get that particular co-operative off the ground. Well, the same kind of seed money is going to be required for housing co-operatives. Another requirement of housing co-operatives is land. Where will in fact the housing co-operatives get the land? I think co-operatives are a viable option but they are going to require a lot more than the Minister is prepared to put in. They are going to require start-up money; they will require land; and they will require a continuing firm commitment on the part of the Minister and on the part of the government. And yet we have a Task Force which is saying that the Department of Co-operatives should be abolished. While we are discussing the possibility of co-operative housing today in some vague form, we have the Task Force recommending that the Department of Co-operatives should be abolished.

So we are left, Mr. Chairman, with no statement, no real operable statement from the Minister as to how the variety of housing supply will be provided by both public and private and, I guess, the third sector, the non-profit sector, how this will be provided to ensure that the housing needs of all Manitobans are met.

A very simple case, we have got the City of Winnipeg NonProfit Housing Corporation. The commitment had been made last year, a commitment of \$1 million in start-up money to a non-profit housing corporation to get housing in place in the City of Winnipeg, critically needed. What's been the Minister's answer to date with respect to that commitment? "No." A continued "no." We've had no statement on land servicing, which I think is a very important factor in the price of houses. There have been studies which have indicated that probably the most important factor in affordable housing is to get the land cost down. Because if, in fact, you have very expensive lots as the only available option, that means that when you are buying a lot for \$20,000, it's very difficult putting on a \$20,000 house so that you can qualify for the Federal Assisted Home Ownership Program. You end up going over the limit, and that's why it's very critical to start getting that land price down, somewhere in the order of \$10,000 or \$12,000.00. Then it will be possible to build on that lot, a house which would qualify for Federal assistance under AHOP, which I think is a useful program in that it does provide ownership of the home.

We have no particular program coming forward from the Minister in that respect, so after all

this long wait, the Minister's introductory statement leaves us very little to go on, and has, as its major plank, the further development of mobile homes. I hope, as we discuss the specifics of this appropriation, that we can, in fact, get much more definitive statements from the Minister, and much more specific recommendations to problems.

Just as a final point, I'm wondering if the Minister would endeavour to provide the operating statements for 1977 and 1978, to the members of the committee. I think if you look at the last annual report, you'll find that on Page 16 there is a Statement of Operations for the year ended March 31, 1977. That has it listed for 1976 and 1977. The fiscal year we've just finished is March 31, 1978, and the fiscal year for which these Estimates are coming forward is for the fiscal year ending March 31, 1979. Now, if the Minister is coming forward with the Estimates, he should be able to indicate what the components of the \$19,986,000 are. So I'm wondering if the Minister will undertake to provide those breakdowns as requested.

MR. CHAIRMAN The Member for Burrows. Can you get up to a microphone, please. Would somebody be kind enough to let him in?

MR. HANUSCHAK I merely have a question to ask of the Chairman. When the committee last sat, what item did the committee approve?

MR. CHAIRMAN The committee approved the other evening, Item I.(b) only.

MR. HANUSCHAK Item I.(b). That's Ministers without Portfolio compensation.

MR. CHAIRMAN For all three Ministers. The total sum of \$46,800 was approved.

MR. HANUSCHAK Well, Mr. Chairman, really I think that the committee would want some guidance because I was of the distinct impression that at that time, the committee was dealing only with the salary of one Minister without Portfolio, and not with the salaries of all three.

MR. CHAIRMAN To the member asking the question, the Member for Burrows, I don't think that I have the right to split that figure up. If we were going to pass the Minister's Salary, it happens to appear in the Estimates in a lump sum form, but I can tell the Member for Burrows and others that I was of the opinion that the Minister without Portfolio, the House Leader, if we wanted to discuss his actions and so on, we could get to him under the Premier's Salary, and we can discuss the current Minister's abilities and so on under Items 5.(a) and (b).

MR. HANUSCHAK Under items . . .

MR. CHAIRMAN . . . 5.(a) and (b) because he does have a department.

MR. HANUSCHAK Items 5.(a) and (b). My problem is, Mr. Chairman, in the event that a member of a committee should wish to move that the Minister's Salary be reduced to one dollar, then we will have a problem.

MR. CHAIRMAN Then I'm afraid as far as I'm concerned, to the Member for Burrows, it's too late, but we did pass an item and it was in a lump sum form. The only thing I said at the outset of the Estimates on the Minister without Portfolio responsible for the Task Force is that we would deal with the matters separately, the three Ministers without Portfolio separately. I didn't say that we would split the salaries up, because I don't have the power to divide \$46,800 up.

MR. HANUSCHAK I'm not faulting you, Mr. Chairman, for this, but this was a matter that I had warned the House Leader and members of the House on one or two previous occasions, and members of this committee during the consideration of the Salary of the previous Minister without Portfolio, and I do regret that we find ourselves in this predicament, because it now makes this a shadow boxing exercise if we are not in a position to demonstrate our confidence or lack of confidence in this Minister by wanting to move a motion to reduce his salary to one dollar.

I have a question to the Minister without Portfolio whose salary had been approved without our knowledge when the committee last met. I did ask him —(Interjection)—

MR. CHAIRMAN The Member for Burrows has the floor, please.

MR. HANUSCHAK I did ask him a couple of months ago whether he would correct the first page of the report of MHRC for the fiscal year ending March 31, 1977. I pointed out some inaccuracies

contained therein and I believe that at that time he had indicated to me that he would take the matter under advisement, and to this date I have yet to receive any publication showing a correction of that page. I am referring in particular to the Chairman and the list of board members as shown therein. The Minister at that time indicated that this is a report submitted to him on February 24, 1978. I quite appreciate that. But the letter from the Chairman of the Board indicates that it is for the fiscal year ended March 31, 1977. I think that the records should be correct, because with all due respect to the present chairman and the present members of the board, the fact of the matter is, Mr. Chairman, that as of March 31, 1977, Mr. Fil Fileccia was not the Chairman of MHRC, nor were many of the members shown herein members of the board of MHRC.\$

Really, Mr. Chairman, I would urge the Minister that for the sake of the record, for the sake of accuracy of the record, that he should make an appropriate correction to the MHRC annual report.

MR. CHAIRMAN The Minister responsible.

MR. JOHNSTON To answer that question, if he wants to change the reports while the previous government was in power completely all the way through, he can. Mr. Pawley was the Chairman for the better part of 1972-73, and Mr. Curry signed this report, dated April 23, 1973. Mr. Curry was made the Chairman by Order-in-Council 160-73, February 7, 1973. The 1974 report, Order-in-Council 160-73, February 7, 1973, the same situation. It has happened every year that there has been a change of chairman for the last eight years. The report in front of you that you were issued is a report, the first page is signed by Mr. Fileccia, the Chairman, and it has Chairman's Report, that is Page 1. The rest of the report is an accurate description of the Manitoba Housing and Renewal Corporation and it has been done for years the same way.

MR. CHAIRMAN The Member for Burrows.

MR. HANUSCHAK Except for the fact, Mr. Chairman, I think that the record should show that as of March 31, 1977, Mr. Fil Fileccia was not the Chairman of MHRC, as this report would lead a reader to believe; that Mr. Thomas Denton, Business Consultant, was not a member of the board; that George Hansen, Winnipeg Businessman, was not a member of the board; that W. G. Harrison, Thompson, Businessman, was not a member of the board; that H. E. Hyndman, Mayor of Rapid City and Local Businessman, was not a member of the board; nor was Gerhard Jenzen, Winnipeg, Businessman; nor was Robert E. Lane, Insurance Executive, members of the board, but that there were other members of the board not shown in this report.

MR. JOHNSTON Well, Mr. Chairman, the members of the board on this Page 1 when this report was issued are the members of the board that he read off. I can't tell you whether there were many changes in the boards in the previous reports I have just told you, but I am sure there probably were and they have all been issued the same way over the past years. In fact, I think the honourable member is splitting stupid straws and I wish he would get on with the business.

MR. HANUSCHAK I see, okay. . Like having your salary before you came in the committee room?

MR. JOHNSTON Mr. Chairman, the member is obviously a little bit narked because last year it was recommended that his salary be reduced and he is trying to find somebody to pick on and he has been wandering around committees trying to do it for the last little while and he obviously can't do it here. Maybe he had better go and look for another committee if that is all he is interested in.

MR. CHAIRMAN The Member for Lac du Bonnet on a point of order.

MR. USKIW Mr. Chairman, we have the anomaly here of not being able to discuss a ministerial salary. When it was discussed, Mr. Chairman, my understanding is that this Minister was not present and was not answerable to the committee. And then we have the arrogance of this Minister trying to browbeat legitimate questions from the opposition.

MR. JOHNSTON Mr. Chairman, on the point of order, the salary question, everybody was here. It was last Thursday night. There was a vote taken on 1.(b), which my salary happens to be part of. The question on that salary on that particular line should have been to the First Minister, saying, "What is it for?" and he would have explained it. If anybody wants to really discuss my salary again,

they are perfectly free to although I must admit it can't be voted against the same as the Honourable Member for Morris who is in that figure. He is quite free to do so under the First Minister's Salary because I come under the Executive Council.

MR. CHAIRMAN The member on the same point? The Member for Lac du Bonnet.

MR. USKIW I think it should be noted that this is the first time — well, at least in my recollection — that we have had such undemocratic procedures in Committee of Supply.

MR. CHAIRMAN To the members of the committee, I have a long list of persons who have indicated they wish to speak. I will indicate who they are: The Member for Fort Rouge; then Pembina; then The Pas; and then Rupertsland. The Member for Fort Rouge.

MR. AXWORTHY Mr. Chairman, I won't get into the matter of the Minister's Salary because I think it is first important to see how he may be earning it and as a result, I think I would like to ask him questions about his opening statement which I was a little surprised at frankly. We have been waiting for some time for the revelation to come about the housing program and I frankly was looking with some expectation because obviously the need for some change was there. I think that I accept in part the Minister's consideration that the previous housing program had really become stultified in many ways and it needed to be freshened up substantially. But what concerns me and I won't even be critical at this point of the Minister's claim for long-range planning and his attempt to, as he says, get his house in order. But what I am concerned about is that we are losing basically a full building season where nothing at all will be done on the part of the Government of Manitoba, nor utilizing any of the supports or assistance coming from the Federal Government. —(Thunderclap)— Obviously the position has been endorsed by those on high as well. —(Interjection)— That's right, when you mention them on high, I tell you, they speak. We speak with a very mighty voice these days. Well, it just shows who you are tangling with, that's all.

The point I would make, Mr. Chairman, to the Minister, is that while he is going through this period of re-examination, we are losing really a full year in the development, even in the interim development, of a supply of housing, particularly in low and moderate areas and a whole number of very pregnant questions are being left unanswered which I think will substantially disrupt the operation of the private market system in Manitoba as well as really shrink the flow of housing for those who are not able to compete fully in the market. I was certainly hoping that the Minister would have provided at least some basic sense of where the government intends to go in these areas.

Let me just mention a couple of them because I think that they are questions that have to be answered really at this committee hearing before we leave, otherwise there is going to be one unholy mess in the housing market in the province. I think the most obvious one is the substantial distortion in the rental market. We have the problem where the government has announced a decontrol program for rental housing dependent upon, or contingent upon an adequate supply of rental housing to create some kind of market force. And yet we have not received any indication whatsoever of how this government intends to ensure that there will be a proper supply of housing in those sectors of the rental market where the demand is greatest, which is in really the moderate income area, rent levels, say, ranging from \$120.00 to the \$200.000 level. As I can determine, nothing is being supplied. Even the rental units coming on the market this spring and summer through the assisted rental program are excessively above that level of income and yet the Minister has not indicated what he intends to do.

So we have a serious paradox where we are relieving or de controlling the rent control system, based upon some notion that the market will then take over and act as the controller of prices. And yet the supply is inadequate in those areas where it has to happen and I think that the Minister is one who always says let's not beat around the bush. I think he should come clean on the basis of having that wherever there is an excessive supply, it is in the upper-income range, that there is not in any way an adequate supply of moderate cost rental housing. So we have an enormous distortion in that particular area and as a result, you are going to have very serious consequences for those people who are in the rental market, simply because there is no supply program presently being administered.

I would suggest that in a couple of key areas, it is particularly damaging. One is, and I assume from reading the Conservative platform or housing program, that they announced in the last election, that they were going to make some major initiatives in the field of rehabilitation and the recovery and recycling of older buildings, particularly apartment rental units, and even from

the Minister's announcement, nothing was said about the way any kind of assistance will be offered to apartment owners, to third sector housing, or to the municipality to in any way rescue or recover the loss of a substantial number of rental units that are being taken out of the market every single year.

Furthermore, in that respect, Mr. Chairman, the Minister didn't even indicate how he intends to deal with the new federal proposals that have been announced, I guess the announcements have been out for some three or four weeks. The outline of those proposals are available and if anything is going to be done with them, there is going to have to be some major adjustments in provincial housing programs to compensate. There is obviously major changes in what is now called, I guess, the Social Housing Program, which will really require the government to provide substantial support in the non-profit co-op sector and in this case I would think that they would be more than anxious to avail themselves of those non-profit co-op organizations already in existence, but obviously supply them with the necessities of land and support that are required. I didn't hear, I believe, the Minister saying anything in that respect.

So what it would come down to, I think, Mr. Chairman, is that the Minister is really going to have to say something fairly specific and constructive about what and how this government intends to aid and support the rental market in this province, because I would suggest to them that as the ARP Program is wound down and as the potential for changes in that area occurs, there will be no rental housing at all produced in the province, and I would simply remind him that something like 95 percent of all rental units built last year were built through some form of federal support. So if that is being pulled away there is not going to be any rental units at all being built. I think there was something like less than 200 units out of a combined construction of 2,400 that were not built without some form of federal assistance. Now that is being changed and it would seem to me that we had better kind of catch up to that pretty quickly, and in this season otherwise there is going to be a major shortfall.

I don't know if the Minister was the housing critic at that time, but I would remind him of the severe consequences the province suffered in 1973-74 when the Provincial Government withdrew from the Public Housing Program, just stopped building public housing, the City of Winnipeg in effect. We are still kind of catching up from that particular omission at that point in time. Now we are going through another full braking with nothing being offered and I think we can't afford to lose that kind of impetus. So that would be one of my major concerns, Mr. Chairman.

I think the second one, and this is something that I raised with the Minister of Urban Affairs and I would like again some very specific indications from the Minister of Housing because he was, I think, passed the buck by his colleague, the Minister for Urban Affairs, and that is on the new Community Assistance Program, which is folding in the previous Neighbourhood Improvement Programs and what not.

Many of these programs are ongoing and many of them require some form of direction. What concerns me is that it is now up to the provinces to set the priorities, and I think we should have a very clear signal at this point in time as to whether the province will allocate, I think it's \$10.5 million in the 1978 budget that will be coming as a block grant from the Federal Government, whether it will require as condition of receipt a commitment to provide for major improvement programs in low income or core areas of the cities as opposed to allowing the money to be used for sort of, you know, golf courses in St. James, I suppose, if I may use that example. The danger of that particular Block Grant Program is that it does allow municipalities to make choices that may not have any real direct commitment to inner city difficulties, and I think it would be very helpful if the Minister was at this evening's committee hearing and make the commitment that one of the prime criteria that the province will employ in the allocation of that Block Plan Program will be in maintenance and improvement of Inner City Renewal Rehabilitation Programs. I think that that again is something, a signal, that has to come through very clearly before too much longer.

Thirdly, Mr. Chairman, and while there is a lot of other questions I think we can all ask, again I would refer him to the neat buck passing that his colleague maintained in terms of the disposition of land. There is a major question mark in the minds of many people, particularly in the private market, as to what the government intends to do with the large land bank that was assembled over the past three or four years inside the Perimeter Route of Winnipeg. How does the government intend to deal with it? Is it going to sell it off at market rates? Is it going to allocate it for the non-profit co-op sector? Is it going to retain it for its own use? What about the very large blocks of land even that are presently contained in the south St. Boniface area? What about the large Leaf Rapids holding in Selkirk, Manitoba? These are very very important unanswered questions

they really do, as he well knows, compose something like 25 percent of the land holdings inside the Perimeter Route of Winnipeg and in many other municipalities besides, and there has been a lot of people waiting to get some indication of what the government intends to do in the disposition of those and the guidelines that it intends to use.

Now, Mr. Chairman, those are the three questions I have. I would hope to have an opportunity to ask others. But I would simply indicate that I am prepared to wait for his grand design maybe at a later date, but I think in the very immediate critical sense there are essential questions that have to be answered right now.

MR. CHAIRMAN Did the Member for Fort Rouge finish? I am sorry I couldn't hear.

MR. AXWORTHY Mr. Chairman, I have just begun but I will leave it at that point.

MR. CHAIRMAN The Minister responsible for Housing.

MR. JOHNSTON Mr. Chairman, I would like to make a comment regarding the statement from the Member for Transcona regarding the research staff of MHRC.

I did compliment them highly and I did say that it was the policy of the government that was the thing that put the strain on that staff. Mr. Chairman, I can only say to you, to the Committee here, that we arrived in office on October 24 and on Friday, October 28, 1977, at 2:30 in the afternoon I had given to me a submission to Management Committee of Cabinet dated September 22 1977, which outlined a program that was to be submitted to the Management Committee for approval of the MHRC Program. It called for a total of \$58 million. Upon checking with the staff I found that the allotment to the Province of Manitoba from CMHC for 1977-78 was \$32 million.

Mr. Chairman, the report that was submitted was not signed but it had the Honourable L.S. Evans' name on it, Minister responsible for Manitoba Housing and Renewal Corporation.

A little later on, after discussing this document with the staff, I received from Mr. Hans Schneider this letter. It is from Mr. Gordon, but it was from Mr. Schneider to Mr. Gordon. It says, "I am returning the draft submissions of the Management Committee dated September 22, 1977, setting out the MHRC 1977 Public Housing Program. The submission was not signed by the Honourable Mr. L.S. Evans, formerly Minister responsible for the Manitoba Housing and Renewal Corporation, and has not been considered by Management Committee of Cabinet. No doubt you will wish to discuss this proposed project with the Honourable Mr. J.F. Johnston before the program is considered by Management Committee."

Now the date on that was November 1. I received the same document, which I had a copy of a little later on, about a week later. Mr. Chairman, at that point in time we had submitted to CMHC for approval. . . on October 11, 1977, submitted for approval was \$7,047,000.00. At CMHC awaiting funding approval there was this . . . in category B which were \$1.5 million, tendered but not submitted, was a total of \$11 million, and I might say that some of those tenders in that particular group where there was five of them that closed on the 25th of October, category D to be submitted prior to the 1977 year-end was a total of \$23,972,000.00. The CMHC cutoff, as the members who have any knowledge of housing are concerned, is November 30th of every year. We have to have everything submitted by that time that we want to have approved or that we want to work on in the following year.

Because it hadn't been to Management Committee, which was, I am informed, the procedure at that time, it was presented to the board. There were many of the ones that had been tendered, and ones that hadn't been tendered were put out for tender and there were submissions made to CMHC for many projects. In fact, I believe they exceeded the \$32 million, but we do have the opportunity of taking a look at them again when they come back from CMHC.

We worked very hard to get those projects in; we worked very hard and the new board was appointed about three weeks later after the government coming to office. The new board examined all of the projects that were involved in this submission and the ones that were tendered and examined them very closely for the need that would be required in the different areas. I made the statement at the time that we were very concerned about the units that were being proposed. We, at MHRC, keep records as many of you know and we started to examine in the Town of Roblin. And I might say, it's been the practice of MHRC for many years that when they have people eligible, they built to half of the eligibility.

In the Town of Roblin there were 48 people eligible, which should have called for 24 units, there was 42. In the Town of Birtle, and I might say, Mr. Chairman, in the Town of Birtle the project

did not go ahead. It called for 18 units. The eligibility was 15. The board had to take a look at that, and I quote from a letter from the Mayor of Birtle dated March 28, 1978. "Our housing authority did receive a number of applications in response to an ad in the local paper. No canvass or interviews were conducted." And the interview sheet and the statistics sheet for Birtle for the housing that was planned there was never completed.

In Russell, we had a program of 28 people eligible, 24 units of elderly persons' housing was built. Or was it 40? I think it's in the project. Forty, when there was 28 eligible.

Portage la Prairie was originally, Mr. Chairman, when I take a look at the projected figures of the housing program, and this is dated October 10, 1976, the submission of the Manitoba Housing and Renewal Corporation for the program in 1977, when I take a look at that program, and then the Minister replied to it, with the whole list, adding some to it, I might add, and we take a check in there and we find that Portage la Prairie was originally for 50 and would justify approximately 50 but it was 94.

Flin Flon has 50 eligible elderly persons, 40 units being built.

Rosburn has 15 applications and 12 units being built, and in this particular one we felt that if we went to the Rural and Northern program it would be much better for Rosburn.

Mr. Chairman, one of the reasons for the examination of the program that was presented to us when we came into office, was exactly that. There seemed to have been a disregard, a complete disregard for the statistics, or the previous procedures that were used by the Manitoba Housing and Renewal Corporation, so it was studied by the board. The board examined all of the projects that were on tap, and the ones that came back from CMHC, had made decisions as to whether they would go ahead. I might say that there were 4 projects that were under construction we could do nothing about which had never been to the Management Committee of Cabinet. Those were the reasons why we undertook to re-evaluate the whole program at that time and were able to approve and come up with \$22 million of the program.

Mr. Chairman, regarding the mobile homes, I think the member is exaggerating when he says that my statement did, at any time, insinuate that mobile homes were the thing that was going to solve the housing problems in the province of Manitoba. I would say that my statement is wrong, because we don't believe that. I believe my statement said it was one of the things that we were looking at that has been neglected. There are many many areas of housing programs, or types of housing programs available in this province, but have never been really considered. There are programs used in other provinces extensively, that have never been considered by the province of Manitoba. Their attitude was to build and own and build as many as they could. Mr. Chairman, when the member says that there are no empty units, I would just like to quote from a note here from Mr. Fallis to myself, on May 15th. It's a memo from Mr. Charles to Bill Nickaraz re Moray and Strauss and Pembina and Silverstone. The original memo is from Mr. Charles to Mr. Nickaraz, dated May 11, 1978. "Bill, I am passing on the most recent update I have with regard to the filling of units under management of Oldfield, Kirby and Gardener. (1) Moray and Strauss, to date 36 bachelor suites and all 8 one-bedroom suites in senior citizen's building have been filled. This leaves 61 vacant bachelor suites, a total of 22 bachelor applications have been forwarded to them, however, as of this date we have no additional applications on hand to forward. This problem may carry on for some time. All the family units at Moray and Strauss have been filled.

"Pembina and Silverstone — Oldfield, Kirby and Gardener have not yet received an official completion date on this program. It has 30 two-bedroom and 30 three-bedroom suites. We have forwarded them 34 two-bedroom applications and 14 three-bedroom applications. No additional three-bedroom applications are available at this time. However, the staff is hopeful that by the time the development is open there will be sufficient applications on hand, and I certainly hope so.

"In regard to the bachelor situation at Moray and Strauss, you may wish to advise as to further action to advise Ron on the status of the situation."

Mr. Chairman, on August 25th, a letter to one of our research people from Mr. Fallis, "In a recent report from Winnipeg region and so on, vacancies in St. Vital and Fort Garry-Richmond area, the comment is made by Winnipeg regional that it appears that we are providing more units in public housing in these areas than the people in these areas would appear to require. People in the core area are reluctant to relocate to the suburbs. I would therefore suggest, in future, if we were looking at these areas, we discuss the situation with the Winnipeg regional very carefully before going ahead." And it seems that there was no discussion with the housing authorities before these projects were proceeded with or planned.

"Sixty-one units are still vacant in the Fort Garry area and in St. Vital 26 units are still vacant." These figures are as of July 31st. The original letter to Mr. Fallis is signed by a Mr. Sanderson

from our area, and when he gives his report on vacancies, his comments, "subsidized units are in fill-up process. We are experiencing problems in St. Vital and Fort Garry public houses, as tenants will wait for downtown housing and refuse or delay acceptance into these apartments. It would appear we are providing more units of public housing in these areas than the people in these areas would appear to require. People in the core area are very reluctant to move."

Mr. Chairman, we have had that problem since we have taken office, in that the decision of the previous government to build anywhere, at any time, for the sake of using up money without planning, has been prevalent. Those are the proofs. We do have problems. We have very serious problems, and as I said last year when I was in this off this committee, I said, "stop, analyze, look where you're going and find out what housing programs are the best for the province of Manitoba."

Mr. Chairman, when he speaks about rent subsidies to individuals and he speaks of renting or subsidizing people in apartments owned by private individuals, he seems to think that it's a very great difference. What is the difference if we subsidize in a an apartment owned by somebody else rather than one we own ourselves. As a matter of fact, we would be saving money in the long run because we wouldn't own it, we wouldn't have the costs involved as far as the maintenance, etc., and the management of those units, and one thing, Mr. Chairman, we would accomplish, is that people would be able to live where they want to live, not where we tell them to live. It is costing us at the present time \$230 per month per unit, on an average, of subsidy. It costs us \$350 a unit to operate a unit of public housing in the province of Manitoba, average. We receive an income of approximately \$120 per unit, average, which is \$230 subsidy. —(Interjection)— I beg your pardon? Monthly, \$230 about.

Mr. Chairman, the subsidy we are spending is \$350 a month, and there are lots of apartments available at that price in this city.

MR. PARASIUK Could you give us the breakdown for those figures? Multiply them times the number of units we have, 13,000 times \$350 gives you what?

MR. JOHNSTON Mr. Chairman, I can only turn to my staff, and I'll have the figures for you tomorrow, that the average costs . . .

MR. PARASIUK Give us 13,000 times \$350 times 12.

MR. JOHNSTON Mr. Chairman, we have provincial share only at 50 percent, total monthly per unit subsidy of elderly persons is \$120.00. I had quoted you \$230.00 on the public housing. Can you gave me the figure on the public housing, that is the average. Family public housing —(Interjection)— No, Mr. Chairman, I said . . .

MR. CHAIRMAN Just a minute, members of the committee. The Minister is attempting to answer.

MR. JOHNSTON Mr. Chairman, I said that \$230.00 was family public housing. The \$120.00 figure I quoted is elderly persons housing; that is our average subsidy per month. On the family public housing, it is \$208.00. I was out by \$22.00.

MR. CHAIRMAN The Member for Fort Rouge.

MR. AXWORTHY I just wanted the Minister to clarify. Is that the provincial share, the \$208.00, or is that the combined share of the federal and the provincial, which is a 50-50 split?

MR. JOHNSTON That's the combined.

MR. AXWORTHY It is combined, so that the provincial share is \$104.00, then? Would that be right?

MR. JOHNSTON The total cost, I said, of subsidy is . . .

MR. AXWORTHY That's not what you said, Mr. Chairman. You said, "your cost." I think we should clarify the terms of that.

MR. JOHNSTON Well, I'm sorry if I mixed you up. I thought I said the total subsidy is \$350.00 a month. We have an average income of about \$120.00 and the difference is split between the federal and provincial governments, to make that clear.

MR. AXWORTHY Fine.

MR. JOHNSTON Our subsidies at the present time, when this particular building program is over, for the ones that we had mentioned that were going forward in 1977-78, will be in the neighborhood of \$16.5 million and I think I have that figure accurately in the book here somewhere. Mr. Chairman, my staff will find that for you, and I will carry on.

So the statement, when he starts mentioning that we're are paying the money to private people instead of owning it ourselves, you know, doesn't really seem to make that much difference. Now, if he talks about the assets, Mr. Chairman, it is all very well to talk about the replacement value. It is quite true, to replace the housing stock we have at the present time, which is in the neighborhood of \$200 million, it would cost probably close to double that. But that's very fine to talk about replacement costs. When you talk about assets, an asset is what you can get for it and I would like to inform the honourable member that I would like to know who would purchase the units at the replacement cost today with the size the units are, and try to rent them without being subsidized. Nobody. The stock that we have at the present time is of no use to anybody unless it is subsidized or else we would have to lower the price considerably in order to make it practical for him to buy them.

So it is all very well to talk about replacement value. The replacement value really has got no bearing on what the actual market value of the units are or the value to somebody else.

Mr. Chairman, when I spoke in my opening remarks, I spoke that the Housing and Renewal Corporation was building houses that are not saleable. At the present time, it is projected that the Manitoba Housing and Renewal Corporation will lose \$708,594.00 on the Bell Avenue Subdivision in The Pas. The vacant lots that were developed in there for the same type of subdivision beside the one that we are not selling at the present time, and it is all laid out, the streets are in and everything, we have to make a change after working with the council of The Pas because they would have to go to a more single family type dwelling which is saleable in The pas, and in order to make those lots saleable so that people will want them, we will take an estimated loss — if we sell them at what we believe is the market in The Pas — we will take an estimated loss of \$102,463.00.

Mr. Chairman, we also have Nassau Square where we built houses. In Nassau Square, there are still 15 houses left to be sold in that particular subdivision that was built for sale and the projected loss, and if you will look in your Estimates Book that you have here, there was \$900,000 set up for Bell Avenue and Nassau, and Nassau is going to be \$343,708.00. We are looking at a projected loss at the present time of close to \$1 million on those units. If the honourable members will look at Exhibit B . . .

MR. PARASIUK Is this the Estimates Book or is this the Annual Report?

MR. JOHNSTON The Annual Report.

MR. PARASIUK You had mentioned the Estimates Book.

MR. JOHNSTON The Annual Report, Page 16, provision for estimated loss on finalization of housing units for sale, \$900,000.00.

MR. PARASIUK Do you have the breakdowns for 1978 and 1979 of that page?

MR. JOHNSTON Mr. Chairman, the breakdown of the loss at the present time is \$343,708 on Nassau and as I quoted, we have a projected loss of \$708,594 on Bell Avenue, and another \$102,463 on the developed land that we have also in The Pas.

MR. PARASIUK Can you give us a breakdown on those pages for 1978 and 1979 years.

MR. JOHNSTON 1978 and 1979?

MR. PARASIUK That was the question I had asked.

MR. JOHNSTON My staff informs me that we will be setting up — we have in 1977 — we will be setting up another \$278,000 in the financial statement for 1977-78 or the statement that will be presented to you. Mr. Chairman, this book is a market survey and analysis of Bell Avenue Subdivision. We would be quite glad, if anybody wanted to read it, they are quite pleased to do so. It was asked for by the board; the research was done by qualified people, as far as the survey

was concerned, and we were presented with this. —(Interjection)— Mr. G. S. Carswell, ACCIC/IFRI, and Mr. H. L. Daudet, AACI, Manitoba Housing and Renewal Corporation.

MR. AXWORTHY Mr. Chairman, is the Minister tabling that report?

MR. JOHNSTON Certainly, it's available.

MR. AXWORTHY Will it be tabled then? I was just wondering, will the report be tabled?

MR. JOHNSTON I'll table this one or get you another one, whichever you want.

MR. CHAIRMAN The Minister has five minutes left in his answering period.

MR. JOHNSTON Mr. Chairman, those are some of the reasons why we have stopped and taken a look at the programs because we believe that our subsidies are getting to the point where we have to stop and take a look at it. I would also like to refer the gentlemen of the previous government to something that they did and I don't criticize them for it. We don't have the figures in this book for 1969, 1970 and 1971; in 1972 the MHRC original allotment was \$45 million, committed \$26 million. In 1973, Mr. Chairman, the original allotment was \$35 million, only \$7 million was used. It would seem to me that the previous government decided after four years to stop and take a look where they were going. The original allotment of 1974 was \$13 million, committed \$14.6. The original allotment in 1975 was \$11 million, but committed was \$27 million. I believe there was a request made for more. The original allotment in 1976 was \$31.2, committed was \$48.7. In 1977, \$32.3 was committed and there was \$19.8 million plus, well, the CMHC commitment is \$23.4 million which includes funding for projects which have been deferred or for cancellation.

Mr. Chairman, it doesn't seem to be an unusual thing for a housing authority or for MHRC to take a look at where they are going when their subsidies are starting to get to the point where they are very very costly to the government and other things should be looked at.

I would like, for the Honourable Member for Fort Rouge, to answer his questions but in the two minutes I have left at the present time, I would like to say to him that in my period of time sitting in this particular committee, one of his greatest criticisms of the previous government was that they only went on basically one program, Section 43. Well, we believe that there are many more sections of the CMHC Act that can be used for housing in the province of Manitoba. We think there are more programs that can be used which will allow people to live more where they want than in the public housing. We have seen a study done in Alberta where they sent out a questionnaire saying, "Do you need support or want support for housing?" The answers came back most of the time, yes. "Do you want to live in public housing?" No. All the provinces are having the same experience. We are presently making a similar type of survey ourselves. We are examining all of the applications that are on file in our housing authorities. In the Winnipeg housing authority at the present time, out of 1,400 applications, 400 people were just not available or able to be found. We sent out 600 letters. We have got many answers and phone calls back saying they are interested. We have people phoning in saying, "I want to live in your senior citizens housing and public housing and I qualify, but only in this district." Mr. Chairman, I would say to the Member for Fort Rouge, his main concerns, and I know that they are concerns of his and they are w , is concerns of ours the core area of ipeg. It's a problem and it has to be solved.

MR. CHAIRMAN The Member for Pembina.

MR. DON ORCHARD Thank you, Mr. Chairman. Some time back whilst the Member for Transcona was making his initial remarks, the Member for Brandon East made a point of order that I had made some unparliamentary remarks and I would like the Member for Brandon East to withdraw that point of order.

MR. CHAIRMAN Well, to the Member for Pembina, I think that the Member for Brandon East, this is my understanding of it, wanted to listen to the Member for Transcona, what he was saying and he asked me as Chairman if I could quieten down other members of the Committee. I personally didn't hear him describe you or any comments that you were making.

MR. ORCHARD Yes, Mr. Chairman, quite correct but the Member for Brandon East referred to the fact that I'd made some unparliamentary remarks which I would like him to withdraw from the record. If I had been making noise and distracting him, then fine and dandy, but unparliamentary remarks I did not make and I would like the Member for Brandon East to withdraw that remark

from the record immediately.

MR. CHAIRMAN Well, does the Member for Brandon East wish to inform me as to what remarks he was referring to.

MR. EVANS I'm not withdrawing any and nor would I repeat them in the presence of a lady.

MR. ORCHARD Mr. Chairman, the lady is sitting right beside me and I'm quite sure that there were no unparliamentary remarks made in the presence of the lady. It's a figment of the Member for Brandon East's imagination and I would like him to do one of two things, withdraw the comment on parliamentary remarks or put them on the record so that they show as to the nature of those unparliamentary remarks.

MR. CHAIRMAN Well, all I can say to the members of the Committee is that I did not hear them and as I said earlier in the evening, we have a large committee in attendance tonight and it's a very difficult day. I was under the impression as Chairman of this committee that the Member for Brandon East was hoping that I would get other members of the committee to quieten down so that he could hear the then recognized spokesman who was the Member for Transcona who was speaking at that particular time. I'm not aware of any unparliamentary remarks. So, my ruling is that I'm not aware of any, so therefore, as Chairman of the committee I'm not asking the Member for Brandon East to withdraw anything.

MR. ORCHARD Mr. Chairman, on a point of order then, if the Member for Brandon East indicated permanently for the record that I made unparliamentary remarks when he meant in fact that I was distracting his attention through comments to the Member for Selkirk, then I would appreciate him changing it to the accusation that I was making conversation which overrode the Member for Transcona so that he could not hear the Member for Transcona's remarks. Unparliamentary comments or remarks I did not make and I would like the Member for Brandon East to withdraw that remark. He cannot prove it and he has no basis for that accusation whatsoever and if he does not withdraw. . .

MR. CHAIRMAN As Chairman of the Committee I will ask the Member for Brandon East — can I have the attention of the Committee the Member for Brandon East if he was referring to the noise that was going on in the Committee at the time that he asked me to try and quieten down the Committee. Is that what you were referring to? And if that is so would you state it?

MR. EVANS I was referring to the noise, but included in that noise were certain swear words that I wouldn't use and I heard them and I'm not going to repeat them.

MR. ORCHARD Mr. Chairman, the Member for Brandon East is living in an illusion. If he cares to repeat my unparliamentary remarks, repeat them or withdraw the comment unparliamentary remarks and replace it with noise, put it on the record if that is what I said. I am willing to stand by what I said, I know what I repeated to the Member for Selkirk and I don't have to stand for a comment of unparliamentary remarks from a man trying to make political hay.

MR. CHAIRMAN As Chairman of the Committee it's my opinion, in ruling, that those remarks, if they were made, we're not recorded on the taping devices, therefore, they're not on the record officially. They are not on the official record and therefore, as Chairman, I cannot ask the Member for Brandon East to withdraw anything because as I said I did not personally hear anything and I don't believe anything was recorded in the way of unparliamentary remarks.

MR. ORCHARD Mr. Chairman, the insinuation is left by the Member for Brandon East under cover of Hansard and parliamentary protection that I made unparliamentary remarks which goes down on the record and I would like him to withdraw that remark.

MR. CHAIRMAN I'm afraid that I as Chairman do not feel that there are any unparliamentary remarks on the record. If the Member for Pembina wants to challenge me as the Chairman he may go ahead but I am, as Chairman of this Committee, ruling that there are as far as I'm concerned no unparliamentary remarks on the record.

The Member for Rock Lake on a point of privilege or a point of order pertaining to this matter.

MR. EINARSON Mr. Chairman, on a point of order. No way do I want to challenge your ruling on this, Mr. Chairman, but I for one who have sat here on this Committee, I did distinctly hear

the Member for Brandon East make the comments that the Member for Pembina had made some unparliamentary comments and if the Member for Brandon East is not prepared to verbally state those comments, then I think that it is unfair. I'm not going to challenge your ruling, Mr. Chairman, if you did not hear them then I suppose it's . . . But I did distinctly hear the Member for Brandon East make comments that the Member for Pembina is referring to.

MR. CHAIRMAN I can also point out to the members of the committee that at the time the Member for Brandon East asked if we could get some quietness in the committee that I didn't officially recognize him, I never recognized him. All I did was stop the proceedings and ask the membership around the table if they would quieten down and listen to the Member for Transcona, so I virtually, as Chairman of this committee, ignored the Member for Brandon East and as I say, there is, as far as I'm concerned, nothing recorded on Hansard that is considered an unparliamentary remark.

MR. EINARSON Mr. Chairman, if you as Chairman of this committee can assure the Member for Pembina that the comments that the Member for Pembina is asking the Member for Brandon East to withdraw are not on the record, then I think there's no problem.

MR. CHAIRMAN All right, as Chairman I'll undertake to have the Clerk hear the tape from Hansard at the earliest opportunity. If there are such words recorded, they will be erased.

The Member for Pembina, you were waiting a long long time to be recognized as a spokesman was that your contribution?

MR. ORCHARD I want to assure that the Member for Brandon East's comment of unparliamentary remarks does not go on the record because he cannot substantiate them because they were not there.

MR. CHAIRMAN The Member for Brandon East.

MR. EVANS Mr. Chairman I heard the Member for Pembina swear and I'm not going to repeat those swear words and I heard them and I'm not going to repeat them and I therefore will not withdraw any remarks because those are definitely unparliamentary.

MR. CHAIRMAN All right, let's try and get back to the business of the Manitoba Public Housing.

MR. ORCHARD Mr. Chairman, the Member for Brandon East has now put on the record that I uttered swear words which I did not utter and I would prefer that remark to be struck from the records as well. Put up or shut up.

MR. CHAIRMAN All right, we'll get back to the business at hand. I have a list of speakers, persons that wish to question the Minister and on my list are the Members from The Pas, Rupertsland, Transcona and Lac du Bonnet. Is the Member for The Pas present? He is not present, so the Member for Rupertsland. —(Interjection)—Then the next one on the list is the Member for Transcona.

MR. PARASIUK Thank you, Mr. Chairman, I am wondering if the Minister will, in fact, undertake, as I asked him to supply the Statement of Operations for the year ending March 31, 1978 and can he also give us the Estimated Statement of Operations for the year ending March 31, 1979 so that we can get some idea of what the subsidy might be for the year ending March 31, 1978. —(Interjection)—

MR. CHAIRMAN What is your point of order.

MR. EVANS Mr. Chairman, on a point of order. The Member for Pembina is threatening me, he said he was going to crucify me. The Member for Pembina said, "Len you better be careful, you're going to get crucified." Now I want the member to apologize. Did the Minister of Labour hear that threat, did you hear that threat Ma'am? —(Interjection)— Well, Mr. Chairman, I've been threatened by the Member for Pembina and he said he was going to crucify me, now I want him to withdraw that remark.

MR. CHAIRMAN Can we get some order to the committee first. The Member for Lac du Bonnet on a point of order.

MR. USKIW I suggest to you that this committee is no longer productive and that we should call at 10 o'clock. I move that committee rise.

MR. CHAIRMAN The Member for Lac du Bonnet has moved that committee rise. — (Interjection)

— Well, it's a non-debatable motion. All those in favor of committee rising.

MR. PARASIUK I had the floor, on a point of order, I had the floor.

MR. CHAIRMAN I recognized the Member for Lac du Bonnet, he had a point of order and then he suggested that maybe the committee should call it quits. I in turn said are you prepared to put a motion. I recognized him and then he put a motion that committee rise, now the motion is on the table, all those in favour of having committee rise please indicate. It's a non-debatable motion. The Member for Inkster.

MR. GREEN I'm not speaking to a debate, I'm speaking to a point, Mr. Chairman, of order. Unless the committee unanimously wishes to rise, then in order to take a vote you will have to take a vote in committee the same as was done earlier this evening and I just wonder whether . . . If people agree with the Member for Lac du Bonnet then there's no problem. If they disagree then we have to go back in and vote because committee sits, the Committee of the Whole is not called here, part of it is here and part of it is in the other room.

MR. CHAIRMAN Okay, we have motion before us. Is the wish of the membership attending this committee that committee rise? The Member for Lac du Bonnet.

MR. USKIW Mr. Chairman, we haven't been making any progress with respect to the committee for the last half hour. It is now 10 o'clock, the usual time of adjournment and I think it's an appropriate motion.

MR. CHAIRMAN Do you want to take it out? All right, let's carry on with the affairs of the committee. The Member for Lac du Bonnet has indicated that he does not wish to take it into the House for a vote. The Member for Transcona was in the process of asking the Minister questions. Did the Minister hear the questions over all the confusion? The Minister of Housing.

MR. JOHNSTON The member asked for the statement, the 1977/78 report or statement and it will be available hopefully much earlier than it has been available. I would say that that statement will be available in mid-summer. I can give him any answers he wants regarding operating or salaries. . .

MR. CHAIRMAN To the members of the committee, the Minister is trying to give an answer to a question posed by the Member for Transcona. If there are persons present who aren't interested in the answer, would they kindly be polite and leave the damn room before I get out of here. The Minister of Housing, please carry on.

MR. JOHNSTON Well, I'm prepared to give the specific item the member is interested in and I'm quite prepared, I think I have it front of me here.

MR. PARASIUK Well, Mr. Chairman, if you look on Page 6 of the Estimates book on Item 5 on the left-hand column, it says a total of \$17,300,800.00. Now, in order to arrive at that figure, surely it's composed of other numbers and I would think that that would be the same number as exists on Page 16 when you came up with a total of \$14,830,015.00. I'm just trying to understand what that \$17 million consists of and I'm trying to ascertain what the \$19,987,200 which is requested for this coming fiscal year consists of. How much of that is going to be revenue? Is that a grant from the Province of Manitoba? Is there interest involved?

Then on the expenditure side: How much of the expenditure is going to be interest? How much is going to be the Corporation share of housing projects, operating subsidies? How much of that will be used for grants, for assisted home ownership program? How much will be used as grants for The Elderly and Infirm Persons Housing Act? How much will be used as grants for the Critical Home Repair Program?

You know, all of that that is indicated on Page 16 for the year ending December 31, 1977 surely must exist if in this Estimates Book you publish a figure of \$17 million. That says what you spent last year, or what was estimated.

MR. JOHNSTON Mr. Chairman, this report was tabled in the House . . .

MR. PARASIUK It's a year old.

MR. JOHNSTON It's a year old. We would hope that we can have the 1977-78 figures, a report

such as this, available to you before a year goes by. Now, if you are speaking of salaries for 1977-78, which were \$2,522,900, the salaries in 1978-79 are \$1,892,900.00. That's a specific. What other ones would he like?

MR. PARASIUK Could I get more specific, Mr. Chairman? I would like to get the subsidies, the housing project operating subsidies, for 1978, that is for the year ending March 31, 1978, and what is projected as the subsidy for March 31, 1979.

Secondly, I would like to get a breakdown of that \$19,987,000 amount. It is a one-line amount for almost \$20 million and surely it is not unreasonable to ask for a breakdown of that. If you look at other departmental Estimates, when you get into any other department, you will have an item like that usually broken down into so much for administration, so much for operating expenditures, so much conceivably for capital expenditures. I am wondering if we can get that type of detailed breakdown, not necessarily tonight, but for tomorrow so that when we are reviewing this, or I don't know if we will even get back at this tomorrow, but certainly for Monday so that we can have some type of breakdown rather than talking in general terms about a \$20 million figure.

MR. JOHNSTON Mr. Chairman, I just refer to the statement, and I think I can go back over the years, I'm looking at 1978 at the present time, when it was under Industry and Commerce, and it is exactly the same type of a breakdown that we have in the Estimates this year.

MR. PARASIUK Right, but I think that if you ask for a breakdown, other Ministers in other departments have been providing breakdowns, the number of staff man years, and a breakdown of whether in fact this \$20 million is going to be used entirely for staff, or whether some of it will be used for the CHRP program, some of it is going to be used for some other program. Surely if you are asking for \$20 million, it is not unreasonable to ask for a breakdown of that Estimate.

MR. JOHNSTON Well, Mr. Chairman, I don't think the member is being unreasonable, but he must realize that the 1977-78 breakdown that he is asking for, to begin with, is the amount that was voted last year. It will not be the actual until this report comes out.

MR. PARASIUK I agree.

MR. JOHNSTON The 1978-79 is a request for funds to be voted to us for this coming year. Now, if the net operating voted in 1977-78 was \$3,354,100; requested this year is \$2,454,500.00. AHOP voted last year was 125 . . .

MR. PARASIUK Mr. Chairman, on this, you know, if we get a whole string of numbers like that, it is going to be somewhat difficult to get them all down tonight, and secondly we have to wait for the transcript and we might not get it for Monday morning. I was wondering if the Minister would just provide a written breakdown to the members of the committee, of that?

MR. JOHNSTON I think that is possible.

MR. CHAIRMAN The Minister has indicated that he can undertake to do that.

MR. PARASIUK Secondly, in this respect, I would like to ask if in this \$19,987,000, there is any Capital, because this is a combined budget, it is combined Current and Capital.

MR. JOHNSTON No Capital.

MR. JOHNSTON There is no Capital in this budget then. That means there is no Capital carry-over from previous years, is that correct?

MR. JOHNSTON No, I would like to check with my staff on that regarding the painting in the CHRP. No, there is no carry-over and the Capital that we use in the Manitoba Housing and Renewal Corporation is Schedule A and we have no carry-overs of Capital. We have authority left, but we have no Capital.

MR. PARASIUK How much Capital Authority are you . . . ?

MR. JOHNSTON Approximately \$38 million.

MR. PARASIUK So there is \$38 million which aren't shown in these Estimates?

MR. JOHNSTON No, that is not correct.

MR. PARASIUK Well, where would they be shown?

MR. JOHNSTON That is Capital, Schedule A, Capital Authority that has not been . . . It's not the same as the Capital Authority that the members were trying to dig at in the previous committees. It is Schedule A Authority. It is not Capital . . .

MR. PARASIUK So that will come forward in the Capital Supply Bill, is that correct?

MR. JOHNSTON Yes.

MR. PARASIUK So you are saying that there is \$38 million in the Capital Supply Bill? Is that for this coming year or was it voted from past years and is being carried over to this year?

MR. JOHNSTON It is a carry-over. We have authority for \$38 million in Capital in Schedule A.

MR. PARASIUK Thirty-eight million dollars and you have authority under Schedule A for \$38 million?

MR. JOHNSTON That is correct.

MR. PARASIUK Do you intend to spend or to utilize or commit, either to pay out on a cash basis, or to commit any of that \$38 million in this fiscal year?

MR. JOHNSTON Mr. Chairman, on that particular question, I think I am going to try to answer at the same time one that we had from the Member for Fort Rouge. Until Friday, May 19, we had no indication whatsoever from the Federal Government what our allotments would be in the Province of Manitoba and at that point it was discussion with officials from Ottawa and we have nothing official from Ottawa as to what our allotments as far as Capital is concerned, or moneys are concerned, as far as Manitoba is concerned. I have wired the Minister, the Honourable Andre Ouellet and there have been several wires since his statements about what is happening in the House or about what his program is. It says, "You have been requested by my colleagues, Mr. Tardiff and Mr. Bennett, to meet with provincial Ministers in Toronto on June 14 to discuss and clarify concerns in respect to the new housing program and community services program. May I endorse their request and indicate to you our concern with the lack of progress in finalizing the details of the new programs so that implementation can occur. Public and municipal expectations have been generated which cannot be answered or met. Although your officials have been most co-operative when discussing matters, several important matters remain unresolved and I am certain that the proposed ministerial meeting will assist in the resolving of outstanding matters and will lead to an early execution of the required operation and agreements, thus enabling the early implementation of the new programs."

Mr. Chairman, we have been working very hard with the Federal Government trying to get this solved. I believe the Federal Government, as I mentioned in my opening statement, is taking a very serious look at their housing program. They have the concerns of the provinces and at the present time we are not in the position to say how much Capital Authority we would be using this year.

MR. PARASIUK Mr. Chairman, there is this very great confusion that I think exists within the public generally and within the housing industry as to what type of programs will be operable. We are right in a construction season right now and people aren't sure whether in fact there will be subsidies to apartments built by private builders so that they can proceed this year and get the housing in place. Or, with some of these larger projects, it might entail their starting the planning process now in order to get some of these projects in place not necessarily this year but next year. I have talked to some builders and they are very confused as to what is happening. Right now, the old programs have really in a sense been phased out. We have committed certain amounts, as the Minister indicated, up to \$22 million, but then I wonder whether in fact we are proceeding with any others. We have a senior citizens complex, a 360-unit senior citizens complex, at Garry and York which was supposedly halted. It wasn't put through in time supposedly for CMHC or CMHC raised some questions. The Minister wasn't really clear whether in fact that project was cancelled or just delayed. In that case, are we going to be proceeding with the 360-unit senior citizens complex at Garry and

York? That is a very hard, specific question and if in fact we are proceeding with it, surely it will entail some draw on that Capital? I think that towards the end of May, it's not again an unreasonable question to ask if that project is going to be proceeded with in this particular fiscal year that we are talking about.

MR. JOHNSTON Mr. Chairman, I would be very doubtful if Garry and York would be proceeding this year. We have on file from Mrs. Enid Thompson, who is with the continuing care department of Health and Social Development, very extensive comments that the Garry and York project would not be a wise one to go ahead with in that you would have probably 1,000 senior citizens in one block. We have had discussions with other social people within the area and we would be very concerned that a project of that size in one block would be, to use the word that I don't like, ghettoizing senior citizens. Projects of that size are good but I don't know that we want to go and double the amount of senior citizens in that area. We do have other properties available to us, if we decide to use them, in the downtown area for senior citizens, but it would be very doubtful if Garry and York went ahead this year. But I might say it is still being looked at. There are plans, there are drawings, there are architectural fees that have been paid, the whole bit. But we don't intend to move ahead, making a mistake. The program entails not only MHRC; the program entails the Department of Health; the program will have involved in it nursing care. You could conceivably find yourself with a complex that would be very hard to operate and run, your nursing staff, etc.

Let me read from a letter on September 15, 1977: "To Mr. Honourable Len Evans, Elderly Persons Housing, 185 Smith Street. It has come to my attention that MHRC is planning an expansion of elderly persons housing complex at 185 Smith Street in Winnipeg that could result in a total resident occupancy of 800 elderly people. My staff has noted that such a proposal raises a number of important questions and its implementation could produce, over a time, many serious health, psychological and social consequences. For your information, I am attaching a memorandum from Ms. Block of the Office of Continuing Care, which outlines just a few of the observations. Because the consequences of such a large project could have a bearing on the services of the Department of Health and Social Development, I would very much appreciate the opportunity to ensure our input in the early stages. If you agree, I would be pleased to ask a member of my staff to consult with your officials on this project. Signed: Larry Desjardins."

Mr. Chairman, there are numerous problems to putting that many senior citizens in one area, and we are not prepared to move ahead unless we are sure.

MR. PARASIUK So what the Minister is then saying is that they are not proceeding this year with the Garry and York project.

MR. JOHNSTON That's correct.

MR. PARASIUK Do you have a waiting list of senior citizens in the inner part of the city, who are awaiting senior citizens' housing.

MR. JOHNSTON Mr. Chairman, I just read the honourable member a letter saying that we have senior citizens' housing available in many parts of the city. Strauss Drive is only one.

MR. PARASIUK It's not available, if I'm correct. You said that at this stage, you have a number of people who are applying, but when the suites are completed, they expect to be filled; or they would hope that the situation would change. I think I'm going off memory, but I think that's what you said when you spoke to us.

Secondly, if you're going to read from letters, will you be tabling those letters so that we can see the entire letter rather than just getting a snippet out of context?

MR. JOHNSTON Mr. Chairman, I read the whole letter into the record. Mr. Chairman, the senior citizens' housing problem at the present time, there is no question that the senior citizens prefer, it seems, to live in the downtown area. But there are senior citizens who say to us, "We're making application to live in senior citizens housing, I would like to live on Country Club Road." We have something like, I think eleven applications at the present time for Country Club Road, where they state "that we want no other." They won't move into Strauss Drive where we have space available. These are problems that have to be overcome, and I might say problems that were not looked at before.

MR. PARASIUK Is the Minister then telling us, because I'm getting somewhat confused . . .

MR. JOHNSTON I'm not.

MR. PARASIUK Well, you see, I have a number of people who are coming forward from various parts of the city, phoning me up, asking me if they can get into senior citizens' housing. I contact the Winnipeg regional housing authority, and they say there are these huge waiting lists, they can't get into senior citizens' housing right now, because there is insufficient senior citizens' housing. Now, when I raise this point, the Minister pulls out some letters saying, oh, no, 'we've got some empty senior citizens housing. If that's the case, fine, I think we can supply him with people, and will he guarantee that he can get them into senior citizens' housing immediately, because that's what he's implying that there are these units available to take people in, right now.

MR. JOHNSTON At the present time, a total of 22 bachelor applications have been forwarded. We have to date 36 bachelor suites and all eight one-bedroom suites in the senior citizens' building on Strauss Drive have been filled. This leaves 61 vacant bachelor suites. If it's couples, we may have some problem, but we have 61 senior citizens' bachelor suites available at the present time on Strauss Drive.

MR. PARASIUK And the building is built, completed, and the 61 units are available if senior citizens want to move in.

MR. JOHNSTON That is correct.

MR. PARASIUK Okay, fine, because you see, whenever we contact the Winnipeg regional housing authority with requests from constituents who, in fact, want to get into senior citizens' housing, we are told that no senior citizens, no vacancies are in place, and people are put on two or three-year waiting lists. If you're in your 80s and you are told that you have to wait for two or three years to get into a senior citizens' complex, it's pretty frustrating. The statement from these people is, "I'll probably not be around at that stage," and that's why I think it's very important for the Minister to be very clear as to whether in fact, these facilities are available or not.

MR. JOHNSTON I just said those were. Mr. Chairman, I also informed the member earlier that on a survey of the senior citizens' applications of 1400 that were on file, 400 were not available for comment as to whether they were still eligible or wanted to go.

MR. PARASIUK What about the other thousand?

MR. JOHNSTON The housing authority just had them pile up. We are now checking them thoroughly.

MR. PARASIUK What about the other 1,000 applicants?

MR. JOHNSTON Mr. Chairman, the waiting list analysis progress report is as follows: Elderly persons housing — the list has been worked on, and this is a current standing: "Sent letter to 1,573, response, 677, 12 needed nursing homes, deceased, 9, moved, address unknown, 88, accommodated, 201 in new buildings. Applicant cancelled, 28; WHRA cancelled, 79, cancelled due to social problems. Status unknown, 28; unclear whether they are on or not. Re-sent, 463, mailed May 12th. We should have an update on the 463 within two weeks, I hope. If everyone is returned, the maximum list is 1,128. WRHA at the end of April was showing, bachelor 892, one bedroom, 271 for 1,163." As I said, there are 400 right off the bat, and we are just completing the survey on that. We are just now completing the survey on our applications for public housing, which has not been done, and it is being done now.

Mr. Chairman, I might add, we are not going to move ahead without having these surveys completed and knowing where we are going.

MR. PARASIUK Well, Mr. Chairman, this is where the confusion arises. I have, in my possession, a document sent to me by the Winnipeg Regional Housing Authority regarding senior citizen accommodation as of March 15, 1978, and it lists all the locations. It says: All Occupied. Waiting List. For all of them. For all of them, and here is the document if you want to see it. I just contacted them because I have received so many requests. I then asked them to send me material indicating which ones have waiting lists, and I'll try and direct these people to complexes that might be outside of Transcona or Elmwood, but I would tell these people, look if you need senior citizens' accommodation, you may not be able to get it in Transcona, or you may not be able to get in in East Kildonan, but possibly there are other parts of Winnipeg that you could go to if you need

senior citizens' accommodation that much. I get a letter from the Winnipeg Regional Housing Authority telling me that all of these complexes are occupied. All the units are occupied. I have this document. I sit there, I look at it, I come here, and the Minister tells us that that isn't the case. The applications aren't being submitted to you. They're being submitted through this body, and we, as MLAs, are getting requests, and then we try and deal with it at the field level with the agency that does handle applications for senior citizen units; we receive formal, official word that they're all occupied.

Now, what are we supposed to do with that? What are we supposed to tell the people who are told that they are on two or three-year waiting lists? I'm going to tell them that they should go directly, visit the Minister, because he knows of some units that the Winnipeg Regional Housing Authority doesn't know of, and he knows of some units that the individual homes, when contacted, don't know of themselves. And that's the difficulty that we find ourselves in as MLAs. And I think that's the difficulty that senior citizens, applying for senior citizens' accommodation find themselves in. They would like to know, whether in fact there is an insufficient supply of senior citizens' housing. And every time we try and place someone, or every time I try and place someone, I'm told that there's an insufficient supply, and the Minister tells us that there isn't an insufficient supply, that Oldfield, Kirby and Gardener have told them that there are a couple of units, or a couple of areas, which have some excess supply. I wish the Winnipeg Regional Housing Authority would tell me that, or is Oldfield, Kirby and Gardener operating in isolation from the Winnipeg Regional Housing Authority. And if that's the case, that would strike me as being highly inefficient — is there any mechanism for co-ordinating the work of Oldfield, Kirby and Gardener with that of the Winnipeg Regional Housing Authority? And how did Oldfield, Kirby and Gardener get involved in the whole area of management of social housing units in the first place? Was that done through a tender process, or was it just done by a group that possibly doesn't have very much experience in this area?

MR. JOHNSTON Mr. Chairman, I will be tolerant to a point, but if the member is going to try and put words in mouths and have people put on the record things that are not properly true, then I might not be quite as tolerant.

MR. PARASIUKE What are they?

MR. JOHNSTON JOHNSTON But it's the same thing. When you talked about Leaf Rapids in the House, you were completely off base, but you said it anyway. But this letter that I'm quoting from is signed by Garry Charles.

MR. PARASIUKE Well, I've got a letter here from him, don't start talking about being off base.

MR. CHAIRMAN We can only have one person speaking at a time. The Minister has the floor.

MR. JOHNSTON Mr. Chairman, my letter was given to me on the basis, and it's backed up on the basis that we have not been building senior citizens' housing in the proper manner. We have been putting senior citizens' housing in areas where senior citizens don't want to go. And many of our applicants at the present time, say to us, we will only move — or when we call them, they say, we'll move if we can go to such and such.

A MEMBER 185 Smith Street.

MR. JOHNSTON 185 Smith is the most popular.

MR. PARASIUKE How big is the waiting list on 185 Smith Street? Is it long? —(Interjection)— You're not the Minister. How long is the waiting list for 185 Smith Street?

MR. JOHNSTON 33 bachelor, 14 one bedroom.

MR. PARASIUKE That's the waiting list for 185 Smith Street?

MR. JOHNSTON That's correct.

MR. PARASIUKE That's the only extent of the waiting list.

MR. JOHNSTON That's right.

MR. PARASIUKE You mean to say that those people who couldn't get in to any of these other spots

in Winnipeg, if they were told that they have an option of getting into 185 Smith Street, they would say, no.

MR. JOHNSTON I don't know what they'd say, Mr. Chairman. I'm saying that when we apply to these people, they say, we want Smith Street, we would prefer to be downtown; or we don't want to move to the suburbs; we're getting those type of answers. And those are the type of things that the Manitoba Housing and Renewal Corporation was not allowed to study under the previous government.

MR. PARASIUK Wait a second, I'm asking, you are saying that the staff were not allowed to study those particular questions? Is that what you are saying? Could you then tell me who disallowed it and give me the substantiation for that?

MR. JOHNSTON Mr. Chairman, the staff, let me put it this way, had no real say where senior citizens' housing would go. It was usually decided by the Minister. It was usually decided by the government; it was decided on the basis, if we've got a piece of property, we'll build it here; and it doesn't give a damn whether we need it here or we don't need it here, we'll build it there.

MR. PARASIUK Can the Minister provide any documentation to back up that charge?

MR. JOHNSTON Mr. Chairman, I said it last year in this committee, I said it when I was the critic and I'm saying it now.

MR. CHAIRMAN The Member for Brandon East.

MR. EVANS Mr. Chairman, on a point of privilege, . . . all the housing projects and the location of them were decided by the Minister and that is not true. It's blatantly untrue and it's misleading. I'd like him to withdraw that.

MR. JOHNSTON Mr. Chairman, the policy dictated by the Minister was to build anywhere at any time — whether it was the policy of the Minister, or the policy of the government, the Minister responsible for MHRC, whoever it may have been, the policy was to build as much as you can, anywhere, at any time, and at any cost.

MR. EVANS Mr. Chairman, the Honourable Minister can have any interpretation he wants, I guess, because I'm sure I'm not going to dissuade him otherwise. I seem to think that he's bringing in every excuse not to proceed with building housing. I can advise him, particularly in the area of Winnipeg, there are so many projects involved, that it would almost be impossible for one person to try to delineate the location and the sightings of such projects. That's just patently ridiculous, and I would advise the Minister to be more cautious and more careful with his remarks. Let's have a little rationality.

MR. JOHNSTON Mr. Chairman, let me go back to the proposal call system that was used by the previous government, in that there were many times, many times that this government built units, that because of the property costs, CMHC, would not supply 90 percent of the money and the Provincial Government ended up paying probably 20 percent and the Federal Government 80 percent and they went ahead anyway. Those are documented. The decision on proposal calls would disregard for cost of land at any time, was there. I said that last year when I was critic and it is there. There is a complete disregard.

I might also say that when I took office on the 24th of October, I was presented with a list of expropriated properties that was prepared to be built on and we don't know to this day, because we are still in court, what we will be paying for the property. We don't know whether CMHC will be involved in it at the price we have to pay. And the previous government would have gone ahead and built on those properties. We will not, until we know.

MR. CHAIRMAN The Member for Transcona.

MR. PARASIUK With respect to the last point, can the Minister confirm that the advisor used by MHRC with respect to those expropriations was a lawyer by the name of Ross Nugent, who I think is probably well known in the legal community when it comes to expropriations?

MR. JOHNSTON Yes.

MR. PARASIUK Now, he was the person, I presume, who was providing advice to the MHRC on

this matter, and this is a technical matter. Is he then saying that somehow Ross Nugent didn't provide correct technical advice to MHRC with respect to those expropriations?

MR. JOHNSTON No, there was a committee called LARC set up with Mr. Nugent, the co-op company for . . .

MR. PARASIUK Who was on that committee?

MR. JOHNSTON Allan Post, Ross Nugent, somebody from National Co-op, and an appraiser from Co-op Trust.

MR. PARASIUK Well, the first two names have no connection whatsoever with the New Democratic Party or the New Democratic Government. I think they are people who are in the real estate field, the legal aspect of the real estate field or the financial aspect, and they, I gather, were set up as a special committee to provide advice, technical advice, to the Manitoba Housing and Renewal Corporation.

MR. JOHNSTON That's right.

MR. PARASIUK It seems to be a normal thing to do and somehow that advice was followed by the MHRC board and those expropriations were proceeded with. Now, in terms of what a fair price is, that is something that I gather in the expropriation procedure is determined by a judge and the interesting thing is that those expropriations were utilized to acquire land in the inner core of the city which the Minister says he would like to see some action happening in.

MR. JOHNSTON After we know what we are . . .

MR. PARASIUK Okay, so that is what we are talking about. We are talking about some action happening in the inner city of Winnipeg. We are also talking about the greatest need for senior citizens, housing, being in the inner city of Winnipeg. We are also talking about the longest waiting list for senior citizens accommodation being for 185 Smith Street. And then we have the Minister, having told us all these things, saying that he is not proceeding with the expropriations which would expedite the building of in-field units in the City of Winnipeg, in the downtown area of Winnipeg. He is not proceeding with the building of the 360-unit senior citizens complex at the corner of Garry and York, which is needed. He is not even considering a scaled-down version of that 360-unit complex. He is not considering that what was being talked about at first was something called enriched senior citizens housing which provided a type of gap filler between plain senior citizens housing and personal care homes. Surely, I think, he would recognize as would members of his government, that there is the need to fill that gap between senior citizens housing and personal care homes, that people could go into enriched care homes where they get some type of assistance but not full-time care, that enriched senior citizens housing like that would enable couples to go into senior citizens housing when one of them is possibly a bit more infirm and requires some type of help, that those things are best located in the downtown core of the area, that they are best located downtown because they are equally accessible from all parts of the city.

So the Minister provides those general types of arguments but when we get down to hard specifics, he says he is not proceeding with any of those projects. That is why we have confusion as to what the Minister is really putting forward.

Secondly, when I was raising the point about the need for senior citizens housing, I provided documentation not from some group that hasn't had very much experience, I would guess, in the whole area of senior citizens or public housing management, but I was presenting evidence or documentation that I received as a public citizen from the Winnipeg Regional Housing Authority. That evidence, that says that there is a waiting list for all the units. Now, I think the Minister can't have it both ways. He can't make a general statement saying, "Well, sure, we have got these empty spaces," and then I contact the Winnipeg Regional Housing Authority and I am told that there are no empty spaces. And he still hasn't answered that contradiction; he still hasn't answered why he won't proceed with senior citizens housing downtown when he has acknowledged that the greatest need is downtown and the greatest demand for senior citizens housing is downtown. Can the Minister please deal with the contradiction between what Oldfield, Kirby and Gardner tells them and what the Winnipeg Regional Housing Authority tells me in a public document as of March 15, 1978?

MR. JOHNSTON Mr. Chairman, I will correct the member once more, to have it on the record straight, my information is not from Oldfield, Kirby and Gardner, it is from Mr. Gary Charles, the

Manager of the Regional Housing Authority, Winnipeg. My letter is signed by him, the letter I'm reading from.

Mr. Chairman, you are quite right, I did say that we would not be proceeding with Garry Street unless there is documentation that it is the proper way to go ahead. The enrichment that he is talking about does not have to be in a unit down on Garry Street, it could be an enrichment type that he is speaking of on lots of public senior citizens housing. Those are things that have to be worked out as to how close you put the two together. The one idea that was presented by the previous government was in one area.

Now, I did not say I was not proceeding with the expropriation, because we are proceeding with the expropriation. I said we are not going to proceed on those properties until we know what we have to pay for them and we are in court on most of them, or will be.

MR. CHAIRMAN The Member for Fort Rouge.

MR. AXWORTHY I wonder if we could break into this little discussion because I think there are some other issues attached to the same question on perhaps a different perspective . . .

MR. CHAIRMAN Just before the Member for Fort Rouge carries on, I understand that there is an agreement that we will rise when the other committee did rise, and I understand that the committee in the House has risen and so I was asking the Member for Lac du Bonnet if he would propose a motion that committee rise.

MR. USKIW I so move, Mr. Chairman.

MR. CHAIRMAN The next time that the committee reconvenes, the Member for Transcona is the first spokesman, then Lac du Bonnet, then Fort Rouge. Those are the three people that I have listed.

Committee rise.

SUPPLY — HEALTH AND SOCIAL DEVELOPMENT

MR. CHAIRMAN We're dealing with the Department of Health and Social Development Estimates. Resolution 59, (g) (1). Order please. Order. 59(g)(1) Salaries, \$279,300—pass — the Honourable Member for Seven Oaks.

MR. MILLER Mr. Chairman, I'd like to ask the Minister to give us a rundown on some of these figures. I notice there's an increase in salaries, but a decrease in Other Expenditures and generally a decrease in the appropriation. Considering that there will be obviously inflationary increases, does this mean a deterioration in the Home Care Services Program and a smaller program that existed before? I wond if he could answer that.

MR. DESJARDINS Mr. Chairman, without the Minister here it's quite difficult to go with a committee. So I move that the Committee rise, Mr. Chairman, and that we adjourn.

MOTION presented and defeated.

MR. GREEN Better call the members.

MR. CHAIRMAN Call in the members.

MR. CHAIRMAN Order. Dealing with the Estimates of the Department of Health and Social Development a motion has been put before the Committee by the Honourable Member for St. Boniface that the Committee rise.

A COUNTED VOTE was taken, the result being as follows:
Yeas 14. Nays 26.

MR. CHAIRMAN I declare the motion lost.

The Estimates of the Department of Health and Social Development, Resolution 59(g)(1), \$279,300—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS Mr. Chairman, I'll wait until they settle down a bit on the other side so we can . . .

MR. CHAIRMAN Order. The Honourable Member for St. Boniface.

MR. DESJARDINS Thank you, Mr. Chairman. Mr. Chairman, the first question that I have is that last year on the total, what was requested actually, was \$9,158,900 and I don't understand why this reads \$8,146,600.00. That's the first question that I would have. Actually, in Salaries, there must have been a switch there somewhere. There's a new way, I think, of bookkeeping or something because under Salaries, I had \$1,117,700.00. I might say also that, the Minister gave me the last year's staff man years as 13 ½ and actually it was 80 ½, so there must be a new way or something that was changed in the Estimates and I would like the Minister to tell us what this is all about so I can understand and make a comparison.

MR. CHAIRMAN The Honourable Minister of Health.

MR. SHERMAN Mr. Chairman, first of all, the increase in salaries is explained by the fact that there has been a transfer of contract funds from Other Expenditures, and Other Expenditures have been reduced accordingly. The total of both Salaries and Other Costs are approximately equal for both years.

The staff man years situation is 13 ½ as indicated in the list that I gave the honourable member. The discrepancy in figures from his to mine, or ours, results from the fact that 67 staff from Care Services have been transferred to Community Field Services and they are under that appropriation, which is Appropriation (j).

MR. DESJARDINS That would be what number that we are looking at?

MR. SHERMAN (j).

MR. DESJARDINS (j). Well, Mr. Chairman, I see, this was added to the 695 to make is 781, then. Is this just a straight transfer, just a tidying up, or for some reason you feel that they should be part of the field operation? Is that the idea or were there any staff man years lost or gained or cancelled in the transaction?

MR. SHERMAN No, the answer to the honourable member's last question is no, Mr. Chairman. It was a straight transfer. It was an organizational change, a reorganization that brings them under the Winnipeg region and they are now under the Community Field Services aegis and that particular appropriation.

MR. DESJARDINS The Minister said that they are now under the Winnipeg region. What about those who are providing the services in the rural area, that was in staff man years, was it?

MR. SHERMAN Those ones don't come under appropriation (g), Mr. Chairman, they are included in Appropriation (j), Community Field Services. There has been no change in that respect. They always were under Community Field Services. —(Interjection)— Yes, this was just the Winnipeg group.

MR. DESJARDINS Mr. Chairman, the Minister said, and I didn't quite understand the first part, he said the difference in funds as of last year, what was approved last year I said was 9.158 million, and here they have got 8,146,000. Now, I can understand that you have to pay these people and I imagine that that is under salary, instead of 239, it was 1,117,000 and I imagine if they were transferred, they took their pay with them. That might be the answer. But the Minister said something about Other Expenditures. That also, that is here in front of us, 93,100 and is was 227,000 last year and I didn't quite catch the Minister's explanation on that.

MR. CHAIRMAN Resolution 59 — the Honourable Minister of Health.

MR. SHERMAN Well, in addition, Mr. Chairman, to the 67 staff transferred with their money now over under Community Field Services, we are now paying contract funds out of Other Expenditures. —(Interjection)— No, I'm sorry, it is the other way around, Mr. Chairman. We're not paying contract staff out of Other Expenditures. We were before; we are now not paying contract staff out of Other Expenditures. That now comes under the Salaries item. So that means that the Other Expenditures line has been reduced accordingly. But in total, if you take the two categories together, there is not that much difference; they are virtually equal for the two years 1977-78 and 1978-79. —(Interjection)— No, if you take Salaries and Other Expenditures.

MR. DESJARDINS The Minister is anticipating. I am not saying . . . I'm not comparing, have not even talked about this year's Estimates yet. I wanted an explanation — I got it, until the Minister

said it's about the same. Now, if he is anticipating and saying the way it is changed now — he said it's the same — but it certainly wasn't because under Salaries last year, approved was \$1,117,700 instead of \$239,300; in Other Expenditures it was 227 instead of 93,100.00. So that certainly is not practically the same. Now, I think I have got the explanation to that, that this has been transferred and that Other Expenditures in the past, the 227 of last year, was to pay contract people and now this is transferred, now it is part of the now 239 and the other people who were delivering the service in the Winnipeg area through the staff man years are still there but they are now paid and come under the jurisdiction of Winnipeg, under (j). I think that is the explanation.

MR. SHERMAN That is correct, Mr. Chairman. I'm working off two sets of information; not two sets of figures, but two sets of information and I am looking at the breakdown in my House book as between Salaries, and Other Expenditures. But what the honourable member says is correct. If we are talking about the comparisons to which he is referring, and that certainly is what we should, I agree, be talking about then the explanation for that is the 67 staff and their money has been transferred over into Community Field Services. Probably I shouldn't go beyond that point because what I am looking at here with respect to a total breakdown in the department really refers to some other specifics that only confuse the issue. What the honourable member has said is correct and the explanation lies in that transfer of those 67 staff and their money from Care Services to Appropriation (j), Community Field Services.

MR. CHAIRMAN The Honourable Member for Seven Oaks.

MR. MILLER Mr. Chairman, if we are to follow it and understand, even though we are not dealing with (j), we have to refer to it, that basically as far as the staff man years are concerned, my colleague the Member for St. Boniface mentioned 80, there is no staff decrease. They simply have been transferred out of Continuing Care Services and are now on the payroll of Community Field Services.

So their salaries moved with them and the adjustment has been made in this year's calculation. That's why there is a decrease shown on the print of this year as compared to last year, and the increase would now show in the Community Field Services.

In this particular area under (g), was there any capital expenditures anticipated in this account at all?

MR. SHERMAN The answer to the honourable member's first question, or first proposition, is "yes", and the answer to his question about capital is "no", Mr. Chairman.

MR. CHAIRMAN The Honourable Member for Seven Oaks.

MR. MILLER All right then, Mr. Chairman, what we are basically then looking at in this year's operation is not quite holding the line then on what is known as continuing care services here, even though some staff has been shifted over to Community Field Services, nonetheless the slight increase in salary here. Other expenditures are down. Others also show a drop; in (3) there is a fair drop. I asked this question before the Minister came into the House. This really represents then /, a diminution of a decrease.

Now, the Minister may say, "No, it's the same as last year." But if it's the same as last year, it isn't taking into account the fact that there is an inflationary increase. There is bound to be. There is nothing this year that is going to cost the same as last year, whether it be in other expenditures, whether it be in the paper they use, the equipment they use. Certainly salaries are going to have to go up. And in any case, since we know that there is an attempt by this government to move people in and out of hospitals as quickly as possible and certainly the pressure will be on hospitals to get people out with budgets being as tight as they are, and more and more there will be an inclination and a desire — and I think a healthy one — to look to home care as an answer.

I think Manitoba probably is in a leadership position across the country with its Home Care Program and I would hate to think that we are going to let it slide back and sort of slip away, and give up a position that Manitoba has achieved in this area, so that we are probably, perhaps the best program in Canada and just simply let it go by. It's not attrition so much as it's obsolescing it and therefore not being able to continue to pick up in volume the kind of care that is obviously going to be needed in the situation where institutions are restrained, there is a general restraint,

and more and more I think the hospitals, the doctors are going to look to home care services to provide a backup so that people can be discharged, so that people can be looked after in their own homes. It has value in many ways. It is medically a good idea, too, if people can be sent home and know they are going to be looked after.

I know that the Minister, I believe, has indicated that he shares that view that I have just expressed and yet I don't see it in the Estimates. I see, as I say, a slight drop in total and where there is that kind of slight drop — because there certainly is in the Home Care Assistance — the fact that it's almost the same as last year is to me a drop because it does not reflect the normal inflationary increase that takes place. And so if the Minister is saying that we're holding our own, we're holding the line or we're just sort of continuing on exactly the same, they are ignoring two things: The natural growth which is always taking place, on the one hand, as well as the inflationary costs which are inevitable. And not only does this particular figure or resolution indicate this, it indicates a slight drop from last year.

MR. CHAIRMAN Just for the information of the members of the committee, a memo just passed me: The hockey game, the second period is over, Montreal 2, Boston 1. The Honourable Minister of Health.

MR. SHERMAN That last announcement doesn't represent particularly good news, Mr. Chairman.

Mr. Chairman, I haven't been up on a grievance for a long time but I may have to go on one if the score remains the same.

I want to agree with the Honourable Member for Seven Oaks when he says that the appropriation being requested for home care represents a change from last year. He is absolutely right, but he is dead wrong in the conclusion that he places on it. It does not represent a drop, as he put it, or a slide back, or even a freeze; it represents an increase in funding for home care, an expansion of home care funding and, hopefully, an expansion of home care services, as a result.

The actual vote or the voted appropriation in 1977-78 will be underspent by approximately \$800,000.00. What we're looking at is a vote last year of \$7,594,300, which will be underspent by \$800,000.00. We're looking at a request for the Legislature this year to appropriate or permit us to spend \$7,507,300, and that represents in total an increase of 12 percent in dollars — 12 percent more dollars being spent in home care assistance this year than last year. There was a levelling off of workload increase. There was careful program monitoring and between the two it made it possible to maintain program delivery at less cost than was predicted for 1977-78. And therefore the vote of \$7,507,300 that we are requesting will provide for continuing service with inflation taken into account. It will provide for it with a 6 percent price increase and a 4 percent workload increase. If we are able to hold that price increase to 6 percent, it means we have got a margin of 4 percent built in there for expansion and extension. So inflation is taken into account; salary increases, workload increases are taken into account and we're operating with a total amount of dollars that works out to a 12 percent increase over last year.

So the Member for Seven Oaks is quite right. We're not standing still. Only where he suggests we're slipping back, I am happy to inform him that he has the picture the other way around, Mr. Chairman, we're moving forward in this field.

MR. CHAIRMAN The Honourable Member for St. Boniface.

MR. DESJARDINS Mr. Chairman, the Minister is playing with figures and he knows it. And after his last words, I kind of suspect that this is why they have had this change in the presentation of the Estimates.

You know, the Minister can't have it both ways, and this government can't have it both ways. They can't come in and say, "As soon as we came in," like the Minister in charge of the Task Force said, "we did away with 1,300 civil servants," and then tell us "Well, you underspent it last year."

The present government was responsible for this Home Care Program for 7 months or 6 months of the last year and if it was cut down now we are told, "Well, it was underspent by 800. So therefore you chop off 800 and you make a comparison there." Exactly what we said: As soon as this government came into office they froze this program because we received all kinds of phone calls that people were saying, well they told us that from now on we're not going to have any worker that's going to come to our place because they haven't got any. That is. . . — (Interjection) — What do you mean that's not true. Is the Minister calling me a liar — he's going to say what I

received; is he saying that that's not a fact? Well, then somebody should explain to the patient, to the elderly people.

Mr. Chairman, it was the Minister's suggestion that we take this total amount. We added to (j); I did that and what was voted last year was \$24,960 million. If I add both this year, not this year's estimate but on this presentation for last year it is \$24,792 million that's close to \$300,000 — excuse me, it is \$24,667, that's close to \$300,000, and this year we're asking somewhere inbetween \$24,792 instead of \$24,760.00. Now, I'm not only talking about home care, but I can't guess what is what. We were told that it was about the same thing to add both and when we get back to this other item then we better find a reduction there somewhere and not told that it's going to go up, because we're told if we add both this is what you're going to have, you're going to see that it's about the same — then we're told that home care has gone up this year because the money wasn't spent last year.

Well, Mr. Chairman, this is what this is all about. We were told that we weren't running these department s while we were told that there were all kinds of fact and the government cut back. I'm not trying to pick a fight with the Minister but I'm not going to stand here and see us being accused and the Minister and the government have it both ways — have somebody say well, you know, we cut off all kinds of civil servants and then were told, well you didn't spend the money last year. They didn't spend the money, the government did not spend the money, this present government, and it is not fair to say we're going ahead because you didn't spend the money last year when it's them that cut down for a few months. And what guarantee, Sir, what guarantee do we have that in six months they'll do exactly the same thing, and there might be a million dollars that's not spent. Now, I don't think that's cricket. I think that if we're going to compare things we've got to compare, not apples and oranges the way we're being asked to do it now; it is a reduction, there is a reduction.

My colleague is absolutely right and let's remember what members of the government said last year and what they told the people. Do you remember that the Premier went around and said it's dirty pool to scare the senior citizen? He was saying that we said that some of the programs would be cancelled during the campaign; and then he even committed at this time, and this was the campaign and not too long ago, shortly after taking office, the present Minister said, "Yes, my leader promised hearing aids, glasses, dentures, that will be covered somewhere in Pharmacare." I haven't heard anything about that yet and that was a commitment made, that was a commitment made, Mr. Chairman.

Now, last year we were chastised, we weren't doing enough by the present Minister, and if you look at Hansard last year at page 901, the community simply does not have enough chronic care facilities that persons and patients of that kind of services offered in the continuing care field are occupying acute beds and critical beds in hospitals such as the Health Sciences Centre to the disadvantage of those in the community at large but certainly to the disadvantage of many persons requiring immediate emergency and acute care. And then we were told, if there is not enough beds at least let's do something on homecare; this is another program where if you cut you're not going to save money unless you don't care of the people — you don't take care of the people at all.

You know, not too long ago, a few months ago, or a year ago, it was a big joke that the policy of the NDP Convention — and in fact the word policy, they weren't brought around here — and — this is what you said, I have the policy of the Conservative Party in this, what did they say, "To recognize that in most parts of Manitoba the need is not for additional acute care beds for alternate facilities." First thing they did, they froze those facilities. Now the Minister was saying just last week there's not enough psychiatric beds for the kids; that's frozen, the money was voted on last year and so on. And we're probably told well you didn't spend it, and that was frozen because they're going to try to find some other beds. There's not enough beds now and they're going to try to find some other beds to put these kids in.

In the meantime what's going on. I go on to develop facilities capable of providing various levels of care so as to ease the strain on acute care facilities; home care is certainly one of them. The Progressive Conservative programs to develop and improve alternate health care facilities by providing suitable facilities to support the needs of our growing elderly population, this will have the effect of increasing availability of acute care services where these are needed; to assist these facilities to serve the elderly patients within their communities and to offer support to families maintaining elderly relatives in their homes. That's home care, that's home care, Mr. Chairman.

Then I go on. This is all the paper that was put out just before the campaign, at the start of

the campaign. The Progressive Conservative objectives: to assure that government programs and facilities will be adequate to meet the needs of the growing proportion of our population who will become of age over the next 20 years. I couldn't agree more with that, that this is needed. To preserve and expand programs designed to shelter senior citizens from the effects of rising prices and tax; to develop the programs needed to encourage senior citizens to remain as long as possible in their own homes in the community rather than being forced to seek institutional care; that's home care. To provide opportunities to senior citizens to continue to play an active part in the economic and social life of our communities; that, Sir, is also home care. To proceed with the changes in our health care system that are required to offer senior citizens appropriate options as between various kinds and levels of care, that is non-acute care and home care programs, and it mentions home care program at this time.

So, Sir, there is no doubt, you know, you look at the. . . There was an article in the paper a few weeks ago, "Age of the Oldsters is at Hand", and it was about the statistics coming from Ottawa saying that by the turn of the century there will be so many new older people. I think that now there are seven people that are working supporting the pension of one senior citizen and by then it will be three; the percentage here in Manitoba I think is about 11 percent, it seems to be slightly higher than the national average

And the personal care homes are frozen, there's no construction and this is being underspent so the government and the Chairman of the Task Force can say this is what we did. Today the Minister said, "Well, you didn't spend that money so actually you asked for money that you didn't spend, and we're asking for about the same that you asked last year, so that's an increase." Well, there's a limit, Mr. Chairman, there's a limit to playing with figures. You can't have it all your way. I think that this isn't right at all. You know, we've heard so much about prevention, about this business of doing more for the elderly citizens of Manitoba — it is difficult, granted, and we could try to work together on this but this is not the way to start, this is not the way to start at all, Mr. Chairman. You, know, with these people increasing, it takes a hard line — I think that eventually those people that aren't working, that is the youngsters maybe under 17 that are going to school, and the senior citizens are about the same because there's a reduction in youngsters and there's an increase in senior citizens. It might be that you'll have to take a hard line and cut down on the cost of education to provide the service for those senior citizens, but this will have to be done.

And, Sir, I'm not saying, you know we're going to go wild with these social programs. Remember last year when I defended my Estimates, I tried to hold the line but I was being told by this side of the House and by the members who are now occupying the front seats of the government, that we were only paying lip service; that we weren't giving enough service; and the first thing, the health critic lost the job, poor guy. I guess this is why all the shmozzle and we have to have the kind of Minister of Labour that we have, I guess maybe the present Minister was supposed to be slated for Labour and we had somebody else in Health.

Anyway, he said, "We've got to have more beds." You don't hear him any more. In fact, he's not here; he's not here to defend that. You know, last year we discussed that and we discussed the question of the beds and that we'll have another chance at that in the Manitoba Health Services Commission. But, Sir, we can't just not refer to it at all because it is the same thing. The people receiving Home Care are what? — people that normally would have to stay in acute beds longer.

Some of the doctors are concerned because they were always told there was Home Care ready; they are sending these people back home, and they are not receiving any Home Care. So that means that they are going to, some of them when they find out that this is the case, they will go ahead and keep these people in Home Care more. So that's going to be costlier — not costlier because we're not building any beds — but some people will not get any care at all.

There are other people that are waiting for acute beds. They've got Home Care because they can't get in. There are other people — I don't know, I've got the percentage here somewhere, I think it was what, 24 or 28 percent of the people who are Home Care would qualify if they had the beds to go in Personal Care beds. And now if we're going to cut Home Care because this is exactly what's happening, Sir, I can't accept the. . . Last year in this we asked for an 8 percent price increase, exactly, from the year before, if you want to go back. —(Interjection)— Is that finished? Sir, they're working quite fast and to add more encouragement to the Minister, it is now 4-1 for Montreal.

Well, last year, Mr. Chairman, there was an 8 percent price increase, Sir, for this Home Care and that represented also 6 percent — the total was 8 percent increase — was 6 percent workload increase and then a 10 percent in the rural area and a 10 percent workload increase in Winnipeg.

Mr. Chairman, there's another point that I think that's in here that I must say that I was awfully disappointed in. The present Minister and I share so many concerns over the past few years; the welfare of our senior citizen; the well elderly as well — not only those that are sick — and we felt that it was a crime to force people to retire at 65, and I'm not going to start chastising this government or any government at this time, they're having enough trouble with unemployment at this rate, if they just add on with all those who would like to work past 65, it would be pretty rough; but I hope that some day that working for those who can will be a right. Say, sure, give them an opportunity to resign but it should be a right, it's something, and I'm not just talking about those who . . . mind you, that's probably more important in a way if you're going to starve, if you need to put food on the table; but there's not only that, there are certain people that fail to keep their sanity and keep feeling that they are productive, and so on, and feel that they should work. They could do a hell of a good job, then they have a birthday and they're finished. As I've said many times, they're slapped on the back and if they've been there 30 years or so they get a watch and told how wonderful they are and then people forget them. Some of them come back to their funeral after and say, "They weren't bad guys, you know." But I think this is too bad. This is what we're talking about, the good life. We talked this afternoon about the drinking age and the statement was — well, 18 or 19, whatever it is, is not a magic number — and I don't think 65 is a magic number either. But anyway, this is wishful thinking.

But where I've been very disappointed is that we also had money — and I'm not saying it's under this appropriation — but we had money in there, seed money for the Youville Foundation. The Youville Foundation, the Minister I imagine has been briefed, knows what the Youville Foundation is, the Youville Foundation was to do exactly what the Minister and I talked about for so many years.

It is in a community that probably would save money, it's in a community that they would be people who would look after, that would be in touch — case workers and so on — that would be in touch with so many patients; they'd have their caseload; and these people would know where to get the facilities, any help, any programs for the senior citizen; and if they are sick they would be able to get in the hospital. See, that's another thing.

These senior citizens can't get in an acute bed hospital. They can't get in because when you're 65, you know, you're finished, you're senile and you're finished — I say this sarcastically I want you to know; I don't think that you are at all, as you know — but you would have them think that the people are senile and they're forgotten. Then there's a known fact, the medical profession will tell you themselves that they are not too eager to watch the little old lady of 65, or the little old man of 65, it's not quite glamorous enough. Therefore, these people, if they were taken to the hospital immediately, there might be some little thing, if they were made healthy again they could go back in society and enjoy life, but now they're waiting for a Personal Care bed, especially if you don't help them with this Home Care Program.

The Youville Foundation was something that the then government and the Sisters of Charity, the Grey Nuns, were working together. The Grey Nuns were administrating it — it wasn't the government, it wasn't the big government deal, it was just seed money — to help these people take care of the older citizen, and not necessarily in an area but mostly it would have been as a pilot project around St. Boniface because of their hospital, St. Boniface, St. Vital and that part of the river, but anybody could go because they had the Tache Hospital, the chronic hospital and the Personal Care Home on Archibald, that the Nuns bought and are running themselves.

Now they would have people, as I say, that would keep in touch once in awhile to make sure that if this person is well but they need meals, they would have the volunteers — all kinds of volunteers, this is a good area to encompass everything that the Minister and I had talked about, that we agree with — they would know if there's Meals on Wheels, they would be in contact with these people; and as I say if they needed a doctor — and this would be paid through Medicare it's not that costly — and there was \$100,000.00.

You know, the Minister is right, a dollar here and a dollar there will build up. But this is an area that was a pilot project and God knows that government tries enough of these things, but I think was well worthwhile. The work was going to be done by the Sisters, who were eager. We encouraged them. They brought in a Director — and they haven't complained; those people never complain — they brought in a Director, and so on, and then the government dropped them. The present government dropped them, that money wasn't there, and that's completely funded by the Grey Nuns, and I think it's too bad. All right, it's their service to the community, but they've done enough in this area.

The Minister shakes his head and I hope I'm wrong, I hope I'm wrong. That item you will find, Sir, I think it was under the Manitoba Health Services Commission, in some areas. I said it's not

in this area but it certainly is dealing with home care and with the senior citizen people.

As I said, I was very pleased when the present Minister was named to this position as Minister of Health because I felt he had some of the same interest. I know that he has. Last year I said, "Well, it's probably some of the other guys in the Cabinet," and he was offended. He said I must share the responsibility and that is why this year I say, "Well, all right, then share the responsibility." I know the Minister is quite powerful in that Cabinet, that he can have them change their mind. All right, the game is over. You know, the Task Force has fizzed out. You know it le/ was used exactly for what I said, it was brought in to try to be a scapegoat.

You know, for instance, I will give you an example. There was an announcement made or a trial balloon went out — not a formal announcement — that the increase in personal care beds would go to what? Exactly what the Task Force recommended anyway, whatever the figure was.

A MEMBER Seven fifty.

MR. DESJARDINS Yes, well, that's the announcement — the first announcement, as I said, was 7.50 and then they announced that there was a correction. As I say, there wasn't a formal one, but that balloon was flown all over the place and I think that the Chairman of the commission made a speech on that, and I think that it was announced. There was no formal announcement because nothing comes in first as a formal announcement. There is always a balloon that goes through and it's always very tough, the first one, and the people are shaking in their boots and then you lower the boom but it's not quite as bad, and they say, "Thank God, it could have been worse." You know, people are funny like that. So this is a way that works for awhile, it won't work forever.

Now, Mr. Chairman, you haven't heard me criticize about an increase in per diem rate. And I was sick at the time when that first announcement came in at 7.50 but I didn't know what the amount was, and I was phoned at home to try to incite something. Isn't that awful? I said, "No, this is something that I think should be done, as long as there is enough money." So I'm not going to criticize that and I'm not even criticizing the formal announcement that was made, but that was the first thing that was done — the balloon flown by the Task Force. So the Task Force has been used in the past as a scapegoat to see how much the public will stand and whether they will rebel, and then the announcement comes.

So I don't know, I think that the Minister — I am kind of pleased to note — doesn't seem to know exactly what I'm talking about when I talk about Youville Foundation. And I hope I'm right, and I would ask him to look into that.

Now, mind you, you can save \$100,000 very easily because these people are not going to come and beg. I'm talking about the Grey Nuns now. But you know when you've got people that are ready, and they will need all kinds of volunteers and it was a commitment that the former government had made and we couldn't, at a certain time . . . They had some changes so there was some money put in the Estimates. It didn't get off the ground the first year. It is something new. They had a Dr. Scatliffe that is doing an excellent job in the Rehab. Hospital in St. Boniface, I think was the Medical Director — half-time medical director in this group. And I'm pleased to note that the Minister hasn't been made aware of this. I hope that he looks into it, because that would be . . .

MR. SHERMAN I'm aware of it. I'm just baffled by your rationalization of it. But we will exchange comments on it.

MR. DESJARDINS Oh, fine, all right, well then maybe I was too charitable. The Minister is saying that he is baffled because I am saying . that this is something that should be done, and my information was — and that was printed in the newspaper — that there was no grant from the Provincial Government and that the Grey Nuns were paying the whole shot. So I'll let the Minister tell me what he thinks about it.

MR. CHAIRMAN 59.(g)(1)—pass — the Honourable Minister of Health.

MR. SHERMAN Mr. Chairman, the item that you just called raises a point that I just wanted to ask a question on because there seems to be a mixture of emphasis and concentration on items here. Have we passed (g)(1) and (g)(2)? I know the Member for Seven Oaks raised the matter of home care and in his last contribution the Member for St. Boniface started out challenging the statements that I had made on home care and related them to the things that we exchanged on Salaries and Other Expenditures. So I am at something of a loss as to whether we are talking about Salaries, Other Expenditures or Home Care.

MR. CHAIRMAN For the members of the committee, the debate has been very wide-ranging. I

think the Member for St. Boniface proved in his last remarks that he strayed a long ways from Salaries, which was the item that we are dealing with. But I think we will deal with the matter the way we have and once we have moved through . . . I think most of the questions and answers went back and forth, and the matter will pass in a normal way. The Honourable Member for St. Boniface.

MR. DESJARDINS I asked what the item was that last year there was over \$1 million more — around \$1 million more — and that's Salaries. There were people working on the Home Care Program.

Now, under (g), and I don't know if you were just noticing now, but what we have done this year, looking at the Estimates, when we come to the item we have covered the item, because it is very difficult to say, "Well, that's under (1), (2), (3) or (4)," and then we've let it go very fast when we start (1), or I have in the past. And I think that's about the only way you can really work at that because I don't intend to . . . Those remarks, I am covering the whole thing and then when I'm finished with that, the (1), (2), (3) or (4), unless there is a specific question on the side —(Interjection)— All right.

MR. SHERMAN Well, the only reason I asked the question, Mr. Chairman, was because in the initial remarks that the Honourable Member for St. Boniface made a few minutes ago, at least the way I interpreted them, he was challenging some of the things that had I said about home care in response to the Honourable Member for Seven Oaks, measured against the original questions that he asked me about Salaries and Other Expenditures. That was the confusion that I encountered. But if he is satisfied on what explanation I have been able to give him with respect to Salaries, then we certainly can zero in on the home care question. —(Interjection)— Well, the question you asked I attempted to answer by advising the honourable member, Mr. Chairman, that there was a transfer of 67 personnel and their money over to Community Field Services. —(Interjection)— Well, the Youville Foundation — we're coming to that, yes.

MR. DESJARDINS In my original question, the Minister said we transferred some of this under (j), and he said if you add it together you will see it's about the same; I did that. And I'm only talking about last year's Estimates, what was voted and what this says was voted and there is a difference of \$300,000, first of all, number one.

So therefore I can't tell if this is a —(Interjection)— Yes, look at last year's Estimate. —(Interjection)— With last year's Estimate, I took (j) and (g) and I added them together, what was voted last year, as was suggested to me. Then I also added what this says it was last year, and there is \$300,000.00. Is this where the PAT . . . ? The ambulance? Is this where that comes out — the PAT that we transferred? PAT wasn't in (j). —(Interjection)— No, PAT wasn't in (j) last year. No, not in the home care. Well, anyway, if that . . .

MR. SHERMAN Perhaps as a partial assistance in deriving an answer, Mr. Chairman, I could point out to the honourable member that under the reconciliation statement that we looked at a few days ago on Page 35 of the Estimates, there is an item Allocation of General Salary Increase \$2,988,500.00. That, minus the 67 staff and their money that were transferred over into (j) that we're talking about right now, explains in part the difference that the honourable member is referring to. Part of it is explainable through that allocation, Allocation of General Salary Increase under the reconciliation statement.

MR. CHAIRMAN 59.(g)(1) — the Honourable Member for Ste. Rose.

MR. ADAM Yes, on a point of information, I would like to know whether we can discuss the provision of dentures, glasses and hearing aids under this item or under (j), and the medicare card?

MR. SHERMAN That item, Mr. Chairman, I think, or that subject, would come substantially further on in the Estimates. I think it comes under Social Security Division, Resolution 61, Income Security Programs, (c)(2) Health Services, Provides financial assistance to meet the dental, drug and optical needs of recipients of Social Allowances.

MR. CHAIRMAN 59.(g)(1)—pass — the Honourable Minister of Health.

MR. SHERMAN Mr. Chairman, with reference to some of the points and questions raised by the Honourable Member for St. Boniface a few moments ago. The honourable member is concerned that in the light of the position that we have taken with respect to the overall promotion of the concept of restraint that we're looking here at a program and an appropriation which takes into

account, in our calculations, the \$800,000 expenditure in this particular area last year, and he feels that that is not a legitimate way to pursue the restraint program that we have introduced. But I would say to the honourable member that not only was there an underexpenditure of \$800,000 last year in the home care field, but there was an underexpenditure in the previous year, 1976-77, of \$640,000.00. Now, if that had been calculated by the previous government into their plans and into their requests for home care in 1977-78, then obviously — or not obviously but it would be highly likely that there wouldn't have been an \$800,000 underexpenditure in 1977-78.

But the fact of the matter is that there was; the fact of the matter is that although the honourable member refers to the fact that there really was a 10 percent increase calculated into the requested appropriation last year, that we never reached the level of that 10 percent increase provision, that the caseload has levelled off in this field, and that we are able to do what we feel is necessary to do to maintain the level of service to meet the needs, to meet the level of the caseload through the appropriation that we are requesting this year.

I want to make one correction in the figure that I placed on the record a few moments ago. I think I described it as a 12 percent increase in dollars. That's incorrect, Mr. Chairman, it's 10 percent. As I pointed out, it's a 6 percent price increase. It allows for a 6 percent price increase and a 4 percent workload increase. I had calculated it out roughly, comparing 7507 to 7594, and I calculated it out at 12 percent but obviously if we're looking at a 6 percent price increase and a 4 percent workload increase, we should be talking in terms of an increase of 10 percent.

So that's the same level of increase that the honourable member was pursuing when he was Minister last year, but we didn't reach that level. And as a consequence, we inherit an underspending total of \$800,000 and when one calculates in what we're asking today, a levelled-off caseload, an allowance for a 6 percent price increase and a 4 percent workload increase, then I reiterate that we're looking at an expansion of the funding available for continuing care services in the home care assistance field.

The Honourable Member for St. Boniface says that people have said to him that they can't get home care, that there's difficulty in receiving home care and that there has been a freeze or a cutback or a "hold" placed on the program; that's absolutely incorrect Mr. Chairman. People may be saying that to him, but people say a lot of things about governments of the day. A lot of people, I'm sure, said a lot of things about my honourable friend's government that were not true and that he was displeased with. I have no control or command over rumours. —(Interjection)— Well, I don't know who they were told it by. They have not been told it by my staff.

I have no control over rumours. I can't stop people from saying, "The Conservative Government is in office, that means Home Care is going to be cut back." There's no way I can stop them from saying that.

All I can say for the record, to my honourable friend, Mr. Chairman, is that that's not true. The Home Care Service is not being cut back. It is, in fact, being expanded by 10 percent.

The situation last fall, at the time of the mini-Session of the House last November, when there was a substantial, in fact, virtually a universal hiring freeze in place throughout the public service, was a situation in which the Home Care Service was taken into special account and given a special exemption. At that time, as a result of a request from government, from the department, Management Committee of Cabinet provided special approval and permitted the Home Care payroll to continue in its existing form with no reductions and no freeze; and the Home Care Service Division was permitted to continue to employ whoever was necessary to maintain the level of service to meet need.

I can assure you, Mr. Chairman, that those people in need of Home Care, who meet the criteria, can get it today as they could get it yesterday, as they could get it a year ago and as they will be able to get it a year from now. I give my honourable friend that assurance and that undertaking.

What is being said in the public arena, at large, is something over which neither I nor my colleagues in this government have any control. The facts are, that Home Care Service is available as it always was. The criteria have not been changed. The standards have not been changed. We still hire homemakers and Home Care workers according to need. There is no policy that prevents us from recruiting new homemakers; and all applications and referrals are treated in the same manner they always have been.

Now, I know that there are some people in the world in the community who think that our panelling process in Home Care is too tough; but it's not the Conservative Party's policy or the New Democratic

Party's policy, it's the same policy that the Government of Manitoba, for several years past and the current year, have pursued with respect to panelling. There have to be some standards. There has to be some criteria. Home Care is a special service designed to meet physical and medical needs. It's not designed to provide housekeeping duties or housekeeping assistance for people. It's not designed to permit persons like my honourable friend from St. Boniface, and myself, to get off the hook from looking after our parents, if we're capable of looking after them or capable of assisting them. It's designed to meet need and those criteria have not changed.

If some people think that those criteria are too tough, then I think they're people that are expecting more to be given them on a plate than our government is prepared to give or than my honourable friend's government was prepared to give.

The honourable member referred to the P.C. policies and programs — my party's policies and programs — in the Health field, including the Home Care field; and I don't duck from those pronouncements one iota. I say that those are our policies and our programs and we intend to pursue them and implement them as fast as we can; but we've made no bones about the fact that in the year 1978-79 our No. 1 policy was to pull back from wholesale expansion and take a look at what our revenue projections were in this province and what the capacity of the taxpayer was to support programs and services in the future. We've never made any bones about that. That doesn't say that we don't have, as our targets and our objectives for the future, the policies and programs that were enunciated in the policy handbook to which my honourable friend referred.

The Youville Foundation is not a new subject to me. I'm aware of it. I've been briefed on it by Mr. Justice O'Sullivan, who has a very close connection with it. I've been briefed on it by the Grey Nuns. I've been briefed on it by my Deputy and I've been briefed on it by the Honourable Member for St. Boniface. But I am baffled by his reference to the "seed" money that was provided — and I stand to be educated by him — his reference to the "seed" money that was provided for it in this budget.

My understanding, Sir, is that my honourable friend, although enthusiastic about the concept, recognized some of the pitfalls and the ramifications that would result from getting into this kind of a program and funding it from public funds, and that he was approaching it very cautiously, very skeptically, and was not prepared to take the leap into — well, not skeptically, it's perhaps too strong a word — but very cautiously and very studiously, and was not prepared to take the leap into funding it. My understanding is, that was the situation that I inherited, that the previous Minister was not prepared to take that leap; and up to this point in time the current Minister has not been prepared to take that leap.

Now, the honourable member refers to \$100,000.00. Well, certainly I know that he initiated and was responsible for a grant of \$100,000 for the St. Boniface Hospital Research Foundation, but if he's talking about \$100,000 seed money for the Youville Foundation, that's news to me, Mr. Chairman. That's news to me.

MR. CHAIRMAN The Honourable Member for St. Boniface.

MR. DESJARDINS Well, Mr. Chairman, obviously there's certain things that can't be proven. The Minister said that the money wasn't spent the year before. I know that. I think that we really revamped the whole program around the '65 area. I can say that this is probably the program of that department that was screened more than any other program. There was a special sub-committee of Cabinet named to look at that because there was a reduction in many programs about two years ago, and we were asking a big increase in this area. It passed with flying colours. Maybe we didn't get exactly all we wanted, but we got quite a bit.

Now there's bound to be, in some areas, that it's not spent, but now, you know, how do I know? Is the Minister ready to tell me what was spent during the time we were the government and the time that they took over? Maybe we can make that comparison if this is possible. I don't know. Although that might not be a valued thing because we were developing the program more and more all the time.

Now, Mr. Chairman, the Minister — he's absolutely right, I'm not going to play the game so easy in opposition; and I know because I had the responsibility that the Minister has now and I thought it was pretty cheap shot to go ahead and make statements that you can't prove or start rumours — the Minister is absolutely right. I never mentioned that in trying to make a big play before the Orders of the Day, or anything like that, but the fact is that I was asked and maybe it's not true; maybe it's just the fear that some of the rumours — that might be — but I was told by more than one, and my friend from Transcona had the same experience, people that were receiving

help under Home Care were told that, no, they didn't have the staff and for some reason or other they wouldn't qualify any more. I was told that.

Now, if the Minister tells me that the policy is the same — everything we did was not perfect and I'm not saying that he can't change anything — but pretty well the same, that there's no restriction, that's No. 1. I see with the information that he gave me that in the Community Field Service there are 66 vacancies. You know, that 66 could care of a few. Maybe that just happened to be those who phoned me and said, "Well, we haven't got the staff." I don't know.

I was quite concerned when the Minister responsible for the Task Force said that there were all these people out, and frankly I'd like to know where these people are. Where are these 1,300, and so on? Because I think that the Department of Health is a pretty important employer when it comes to departments, and I wondered how the Minister tells me that this is not the case. I could argue and argue until we were both white in the face, this question of the money that wasn't spent, and the rationale of saying, "Well, all right, this was underspent so we're going from that," and I guess he has a point. If there hadn't been a change in the government, it would be easy, because you say you ask this money, we couldn't spend it fast enough, so therefore we asked too much, and I can understand that. But I'm not ready to accept this as being the only reason until I'm shown.

Now, as I say, if that is the case I would not want it to get away. I think that we had a discussion on this last year, that the Member for Fort Rouge wanted us to have people ready to change light bulbs for senior citizens, and that kind of thing. Well, you know there's a limit to what you can do; and I, in fact, in Hansard of last year, after my speech on, I think it was Home Care, the present Minister said, "Well, you're speaking like a Conservative. We're both saying the same thing." So, therefore, we'll watch this. I'm pleased and I hope that this will get publicity then, the fact that the policy has not been changed and the panelling is the same in a certain area after a certain time, fine.

I know, and I certainly will be honest with the Minister, I'm not trying to embarrass him with these kind of questions — I know when I was there that they would come and say, "Well, you know, I want this certain person," they wanted a special person who would come there every day, and so on. We couldn't do that. There was some criticism and they would go to my colleague and I'd catch hell from my colleagues at that time. I know that and I'm not too concerned about that.

But there is another point, though, that the Minister must remember. Let's say that it's approximately the same as last year — and we can have a big debate on that, that is not progressing too fast — but the department said, the Minister is saying, "This cost is pretty high. We've got to try to plateau," and I don't really fault him. . If he'd say, "Okay, we're going to keep this as last year; maybe go up a little bit at this time," I normally would not fault him at all. It's a new government and they feel that there has been quite a bit of money spent in these areas and it might be that they want to really assess the program, on their own after a full year, and I'll accept that.

But there is one difference, though. It is that this government froze Personal Care Homes; and if they did that they should increase Home Care because it's going to take awhile to build. It's been recognized all over Manitoba, and by all members of this House, that there's not enough Personal Care Homes; and there's been a freeze. Okay, we can discuss that at another time. But with that freeze, then more money should be made available and they should go out and get some people for Home Care, for those people who won't get in.

And another thing — and again I don't fault the Minister; it was one of the tough decisions I'm sure that he had to make — he was told about certain Personal Care Homes that were a mess, he ordered them closed. Now, I'll be quite candid. I was afraid to go and see them because I probably would have ordered them closed, when I was told what there was. Now, I looked at it, I mean, what do you do? You're faced with people who have no home at all. They are in areas that are not meeting the standards, but they're probably getting good care by a staff that are very good, but then there's this danger of fire, you know, and then everybody screams. So I can't really fault the Minister on that.

But the new, the Tache Nursing Home — and the new ones were not just to get that many people; it wasn't felt that these would be closed; we would be very careful; I think there was one around, I think, it's Brandon or Portage or there was one that they had to close, but not too many more at the time especially if there is a freeze — but when you put all that together, Mr. Chairman, you have a situation where everybody — the members of the Conservative Party said that the main weakness, the main thing that they could hang their hat on was the shortage of beds.

Now this government said, we talked with the medical profession, they're advising us, and so

on, the medical profession has been saying for years, there's a shortage of beds. The critic for the Conservative Party last year, sitting there, told us there was a shortage of beds. He read all kinds of things about shortage of beds.

As soon as this government came in there was a freeze. It's going to cost a lot of money. Well, of course it's going to cost a lot of money. But if you look at the statistics, you won't be ready and you're going to be in trouble, or Manitoba will be in trouble, because there are more and more senior citizens, and you won't be ready for that; because you're cutting down and you're going to figure out how much it costs and then you'll have to build them anyway, unless you take them out altogether and say, "This is a program, we're not going to have it." I can't see that you're going to do that.

And besides that, I guess that politically, it was a just thing to do especially after what happened in certain hospitals, in Portage, so you closed some nursing homes. I can't fault the Minister for that But not only do you freeze but you close. That makes it tougher and then you say and this is why I am so worried about home care and I'm glad at least and I hope that this will be reported to the people and say, well it hasn't changed. But you see sometimes you say the policies haven't changed but you can't deliver because of short staff, that's happened to us and it's going to happen to you also and this is where you're going to be in trouble and this is why I can't see where all this money wasn't spent. Because from what I was getting from my staff and so on, that we needed the money and we had to hire more people and sometimes you just can't hire the people.

But as I say, you've got a freeze on these hospitals, you close some, you don't expand home care during that time the population is swinging to the people over 65, people that need it. There's waiting lists, there's people that find the easiest way is get a friendly doctor to admit them in an acute bed and then they don't want to go, they don't want to leave and that makes the situation all that much more difficult .

I don't think, as I said last week, that you can just take an item and say that's it, we'll discuss it, and say, look I don't care, you underspent last year, we're spending the same thing, we're doing well — hooray. That isn't because of the other incident that I said.

Besides that the Minister said one of his first priorities and it was one of our priorities was the psychiatric beds for kids. Now we are told, we were told yesterday, I was flabbergasted, on Tuesday that yes, but they're sorry the Minister said, we haven't got these beds. He didn't say we're in a hurry, we're going to build them, he didn't say that, he said, "I'm trying to find some empty beds somewhere". Well, you know, that's going to be a pretty long search, and that's going to back off on other programs because the Minister will find out that there hasn't been that much fat or excess in frills in this department, I don't think there is.

Now, on the question of Youville, the Minister is partially right. It is true and I think it is the responsibility of any Minister, of anybody who has the responsibility to be careful, I was . very careful. It was a proven principle, it was exactly, there are certain things that I was afraid of if they would have had for instance, just an area where you would have, and I have made this commitment in this House to the Minister responsible, the Minister without Portfolio responsible for Housing that there wouldn't be numbers placed on patients, and so on. Now I wanted more volunteers, I didn't want to hire that many people, they would have to have volunteers, Justice O' Sullivan had promised and he had agreed with me that this should be done. The money was there, we were ready to move after some changes, the Grey Nuns at the time had, they have elections too by the way, and the Sister that had been named to come in and act as director, to take over that had to be replaced and the S ister said, "Well, we'll wait a few months if you don't mind" and with the restriction and so on I was pleased that we had this wait of two months.

But that doesn't minimize, that doesn't change what they're trying to do and there was money there and I'll find it in the Estimates and I'll tell the Minister I think it's under the Health Services Commission and so we'll come to that. But it's not a question of credit, but it's something that finally somebody, some ladies that are really devoted, that did more for the health of people in Manitoba than anybody else, there's a lot of people that did an awful lot, but nobody like the Grey Nuns. If you look at the history and if you look at the service that they give and at five o'clock they didn't just drop the dustpan if they we're cleaning up, they stayed there so they did a lot of work. I'm suggesting that if that is the case, that the Minister would look at it again. There are certain things that he might not like and it wouldn't be that costly, but these people will dig out some volunteers and so on in this program and this would well be worth it, a program that we will see that we will try to keep people healthy, that's exactly what the Minister wants, prevention he said, and what a better way to start with the well elderly and the Minister had made that statement also.

Now I think that he has a chance to work with these people to develop something that might

be worth it, that will be exactly what he wants and then he won't be forced to go ahead and make speeches to everybody and then and make these wonderful statements but do nothing at all, nothing concrete. It's not going to be that costly and I think it is worth it and as I said I know that these Nuns are not going to go and cry, so if you want to save money just let it go but I don't think that it quite fair. Now, if the Minister for some reason or other is not in accordance, does not agree with what they're trying to do, which I doubt very much, but with the way they're doing it, that's a different thing. If he feels that that's involving the government too much, there was never any point and the Nuns didn't want that at all. They wanted to run it, to form the foundation named after the founder, Mother Youville, and they have a director in their work and they have one of their doctors. Of course the people would take advantage of the programs the government has, would take advantage of hospitals and personal care homes and Medicare but that's not added cost at all.

Now, I don't know if the Minister was playing games again when he brought in all of a sudden that he knew that I'd made a commitment to St. Boniface Hospital and it's not, you know, it's easy to know that my constituency is St. Boniface and I don't know if that was it, but I want to explain that because it was brought in. — (Interjection) — Okay, well what I've said, what I've done is this, and maybe we'll talk about that at Research, I had intended to, the government of Manitoba wasn't doing very much in research. The Federal Government cut down, although they reinstated their funds, first of all it has nothing to do with really with St. Boniface Hospital as such or the constituency, it is research, right? I'd got from the Cabinet \$100,000 for two years, I mean \$100,000 two years in a row and there was half of that to St. Boniface, the other half was meant to go to the Health Sciences Centre if they could co-ordinate their research the way St. Boniface had. I'd asked Dr. Naimark to act as head of an umbrella group because there had been so many requests for research and he probably has, or will have a report on the Minister's desk soon because he was working with certain people to see how we can handle the question of research here in Manitoba. I still think that there's so much we can spend on research in Manitoba. I think a lot of it should come from the Federal Government but there was an idea to show that we realized that it was an important thing. Not only that if there's anything that comes of this research that will help the people of Manitoba, if there's any discovery anywhere in the world, we'll profit by it there's no doubt, but I think it helps keeps some of the best doctors that we have here because there's many people that I think they want to be fairly close to the researchers also.

So, Mr. Chairman, with the policy being the same, if there's no attempt to try to keep these. . . May I ask the Minister this vacancy of 66, is that there are so many in there or is that just there's always somebody out, but are those positions being filled as fast or is there a freeze on these positions, I think this is something I would want to do.

And there is the Dialysis Program, Home Dialysis, I'd like the Minister to tell us where this will be and how much money is in there because I think that's a program that is saving money in talking about home dialysis.

MR. CHAIRMAN 59 — pass.

MR. DESJARDINS What's going on, I'm still standing up, Mr. Chairman.

MR. CHAIRMAN I withdraw.

MR. DESJARDINS Okay. I'd also like the Minister to tell us those that were admitted to home care this last year and approximately how many people received help under home care during the last year and how many were new admittance and how many were discharged?

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Mr. Chairman, with respect to the 66 vacancies that the honourable member refers to in Community Field Services, they are not related to the home care directly, that isn't the same figure or the same group that we're referring to when we were referring to the 67 staff from C are Services transferred over to Community Field Services. There may be some of them in there, there may be some of them in there, they're part of the general vacancy. . . —(Interjection) — We have 15 of those vacancies freed-up for filling now, it's a continuing process that I go through with Management Committee.

On home Dialysis, that program is in place, Mr. Chairman, and I think is a successful program. There's once again no change in that program and there's certainly no change in intent or philosophy as far as I'm concerned and it is working well. I'd have to try to get that for the honourable member,

it's not broken out, it's in Home C are Assistance and anybody who needs it simply applies for it and it's supplied. I don't think I've got the. . . not on dialysis.

I think the honourable member's last question had to do with the overall Home Care Program case-load. I guess the best place to refer to is page 166 of the Annual Report, but I can give him a case-load movement, for all ages On January 1, 1977, the total was 7,560 and on December 31, 1977 the total was 7,817 but that represents the movement in and out and if you want to look at the total, the maximum number of persons receiving Home Care Services for 1977, the total in January was 8,530 and in December it was 8,574.

What has actually happened my officials tell me, Mr. Chairman, is that there has been a plateauing of the market, a plateauing of demand. There certainly has been nothing done by me or by the government or by my department officials to change the openness and the availability, the ready availability. If the honourable member knows of somebody who needs home care and would like to apply for it, I would invite him to have that person or somebody on that person's behalf apply for it tonight. The sort of comparison and relative comparability of the figures results from the fact that there has been apparently a plateauing of the demand, a plateauing of the market. The total for the year, a rough figure would be, we're looking at approximately \$8,500 month by month, so for the year we'd been looking at approximately \$102,000. — (Interjection) — Yes, that is right, that is the total number of man months of home care for the year.

MR. CHAIRMAN (1)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS The figures that were kept in the last year that I remember, we had those that were admitted during that year. There were approximately 9,500 and those that were discharged were about 8,000, and the total people that received help was approximately 15,000, and I want to make a comparison.

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Well, when I gave the honourable member the figures on caseload movement earlier before I gave him the maximum number month by month, I referred to the caseload in January of 1977 and December of 1977, and gave him those figures. Now the total admissions for 1977 for all age groups, and I can give him the breakdown of the age groups if he wants them, were 8,562 and discharges were 8,305. So that would make for a total through the year of \$16,000 — \$16,000 plus.

MR. CHAIRMAN (g)(1)— pass — the Honourable Member for Seven Oaks.

MR. MILLER Mr. Chairman, following the Minister's comments and he indicated that there is no freeze, that in fact the Home Care Program is continuing on in exactly the same way after he took office but then he used the term, when he was referring to some vacancies, and he said that there was a continuing process before Management Committee to have those vacancies filled. If that is the case, then I say there is a freeze. Because in order to get the vacancy filled, you then have to go through the Management process, which takes time. It isn't much, if they speed it up, they can handle it in 4 to 6 weeks but usually the paper flow is such that it takes time. I suggest that what is happening is that the positions haven't been vacated, they haven't been wiped out, and they haven't been frozen in the sense that there is no movement at all but the mere fact that if a vacancy occurs, they then have to go through a process of applying to Management Committee, to notify them that the vacancy is there, can they fill it, can they advertise, can they seek people to fill the positions, that that in itself creates a drag on the system and I suspect that that is why the underexpenditure took place.

I would ask the Minister whether the \$800,000 underspent is money that is going to be lapsing at the end of this fiscal year or the end of the fiscal year just past, or was it spent in some other branch of this resolution?

MR. SHERMAN No, the \$800,000 will not be spent elsewhere, Mr. Chairman, it lapses.

With respect to the 66 vacancies that we're talking about in Community Field Services, as I suggested, 15 of those have now been released. Of that total of 66, I can't give the honourable member, at this juncture, a precise figure of how many would be related to home care. 26 of those positions are public health nurses, and certainly home care would be affected. The situation arises from the general hiring freeze that has been in position but because of the specific and particular requirements of services in the health and social development field with home care being one of

them but many others being of equally important priority, we have in the department continually sought and obtained release from Management Committee from the freeze in order to fill vacancies as required. And that process is an ongoing one as the requirement becomes recognizably significant.

The staff in the home care field advise me, and my department officials advise me, that, as I told the honourable members earlier, that the home care service is being maintained at the level of need, that the market demand has plateaued and that we are meeting the requests and the applications as people meet the criteria. As I need more people for those positions, I have no hesitation in giving the Honourable Member for Seven Oaks the undertaking that I will pursue the avenues available to me under our structure of government and I will apply for release from the freeze, and I am sure that I will get it. I have, in every instance thus far, where I have exercised that option.

MR. MILLER Well, Mr. Chairman, earlier this evening the Minister made reference to the program and I believe, and I beg clarification, he said something to the effect that he is filling a need and he implied somehow that it was the financial ability of people to pay — either themselves or their children if they have the financial means — is somehow one of the criteria. As I recall the program, if they pass the health requirement — the medical requirement — that's all. It had nothing to do with whether one mother was fortunate to have wealthy children or children in Winnipeg who are not out of town, but rather if they met the health needs — the medical needs — then they qualified for home care, that that was the only criteria. And I wonder whether the Minister would clarify whether I heard correctly, because if the program is the same as it was, then there is no requirement for the children to have to be screened to see whether or not they have money, or their parents have money, or somebody else has money. —(Interjection)— There was no means test. The only need was a medical or health need.

MR. SHERMAN Well, Mr. Chairman, I would reassure the honourable member once again that there has been no change in criteria, in processing, in assessment. I will check the record of the transcript of the committee debates tonight but I am absolutely certain that I never referred to financial ability to pay. —(Interjection)— Oh, well, that was not a reference to financial ability to pay; that was a reference to the, I suppose, the sense of family responsibility that all people have to varying degrees. —(Interjection)— Yes, if you qualify you get it and you are not checked as to financial ability or means test, or a needs test, or a user charge, or anything.

MR. CHAIRMAN (g)(1)—pass; (2)—pass; (3)—pass; (4)—pass — the Honourable Member for Seven Oaks.

MR. MILLER Mr. Chairman, I wonder if the Minister could tell us what external agencies are involved and the amounts that they will be getting, compared to last year.

MR. SHERMAN Yes, Mr. Chairman. The external agencies grants provide referral counselling, day centre services and delivered meals for senior citizens. They include the Age and Opportunity Centre, the Brandon Civic Senior Citizens Incorporated, and the Home Welfare Association. —(Interjection)— That's Meals on Wheels.

The appropriation allows for an 8 percent price increase, including salary increase.

MR. CHAIRMAN (4)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS Mr. Chairman, I think we should say a word at this time to congratulate the people who are running the program Meals on Wheels, because this is one area where there have been many volunteers in Manitoba, although there is some funding to organize from the government. But it has been a volunteer program and I think they should be commended for doing that.

The last question that I have on this home care, it is always the day care. Is there any increase of the program Day Care for the Elderly? I think that comes in here also. There were not too many of them. There were a few that were working as some kind of a pilot project and I think it was doing quite well. I wonder if we could have a report. Is there more funds for that, or is it about the same, or are there going to be any new day care for the elderly or just those that are presently . . . ?

MR. SHERMAN There is no significant change in the volume of service or clientele in the adult day care field, Mr. Chairman, but there is certainly no reduction. One of the key facilities or units operating in that field, as the honourable member well knows, is the Adult Day Care Centre at the Tache Nursing Home, and it's a highly valuable and successful one.

I am advised that there is some minimal increase in clientele in some small adult day care centres operating in some rural points of the province, but basically I can't report a major increase but there is certainly no reduction. The Adult Day Care Program is in place. It is valuable. It's obviously something that we're going to require in greater capacity in the future and will certainly be, in my consideration, in future years as long as I have this responsibility and as soon as we're in a position to be able to expand in some of these areas that would be one of the areas that I would want to do it in first.

MR. DESJARDINS Mr. Chairman, this will be discussed when we go through Fitness and Amateur Sports, but I must say that I was very disappointed when the Reh-Fit Centre was moved. I wasn't worried about the location. I don't care in whose constituency it is; I don't care where it is as long as the people work and as long as it is not too far from the people that are running it. I think it was affiliated, I don't think we know it's affiliated with the St. Boniface Hospital. But I'm disappointed mostly because the people that were working there, including the Knights of Columbus, had requested that was going to be a real fitness centre where we were going to try to do the work from there with the program of fitness that my honourable friend has talked about, has encouraged in the past. And there was going in together, in the same area, there was going to be a track outside later on, not just a track inside or a park, and different facilities and the main thing was something is very much needed, we all agree, and it wouldn't have cost the province or the taxpayers anything. It was a centre for the well elderly, run by the Knights of Columbus at that area.

As I say, I don't care if it's on Taylor Street or the old Concordia if we're just looking at the Reh-Fit. I don't think that the Reh-Fit Program will suffer as such — the Reh-Fit affiliated with the hospital. I don't care where it is but it's the ensemble. What's happened, as I say, I don't want to be out of order. We will discuss the idea of the fitness part of it in Fitness and Amateur Sport. But related to this, talking about this where we should talk about the elderly, I guess there was a chance for the well elderly and I don't where that's going to go now and I am very disappointed.

MR. SHERMAN Well, I guess all I can say to my honourable friend, Mr. Chairman, is we didn't particularly like the deal. I think that centre for the well elderly is a highly desirable facility. Hopefully, the initiative and ambition to create it, construct it, and place it somewhere has not been lost and hopefully it will be possible to proceed with it on that or some other site. But we made the decision related strictly to the mechanics of the old Concordia site itself, to the kinds of things that the province was being asked to assure to and guarantee, not by the Knights of Columbus, I must say, but by persons associated with other facilities going in on that site. We made the decision that we were prepared to make an outright grant out of lottery funds, to be sure, but to make an outright grant and walk away from it, not be committed to some other entreaties that were being made to us. We didn't want to be . . . —(Interjection)— Well, they might not have been made to the previous Minister but I have to tell the Minister that, you know, we made the judgment from the context of the conversations and discussions that we had, not from the context of the conversations he had.

We felt that we would be opening ourselves up to a situation where we might be put in a position a few months down the road, or a year down the road, of having to provide additional funding. We couldn't make that commitment, going through the exercise we were going through last fall and winter when we were preparing our first set of Estimates and first preliminary draft of the Budget. —(Interjection)— No, I will discuss it on Fitness and Amateur Sport.

So the decision was made to go for that grant for the Reh-Fit Centre and then let them make their decision as to what site they would like to locate on. It was not associated in our minds with the Knights of Columbus Centre for the well elderly. Hopefully, that can go ahead there or somewhere else.

MR. DESJARDINS I wanted to be in order and I was talking only about the centre for the well elderly but the Minister — and I'll resist the temptation to go too far on this — but the Minister said that they wanted only a grant and then back away from it, and I'm really asking is that really the case or will there be some operating costs that will come from the Manitoba Health Services Commission? —(Interjection)— Yes, well this is what I said. Well, that's exactly the only commitment that was ever made. So, we'll discuss that further at another time.

MR. CHAIRMAN 4.—pass; (g)—pass. I would just at this point bring to the honourable members' attention that the Montreal-Boston game is over, Montreal 4, Boston 1. Montreal wins the Stanley Cup.

We are now on Item (h) Dental Services, (1) Salaries —pass — the Honourable Member for Ste. Rose.

MR. ADAM I'd like to ask the Minister if this is the item that provides or covers dental service to school children, and if it is, I would like to ask the Minister what is the policy for a dental service program? Any change?

MR. CHAIRMAN The Honourable Minister.

MR. SHERMAN Yes, Mr. Chairman. This is the item under which the Children's Dental Health program comes.

MR. ADAM Could the Minister tell us what is happening in that department? Is there any change in policy as far as the dental health is concerned for school children?

MR. SHERMAN Yes, Mr. Chairman. The Children's Dental Health program has been frozen geographically. In the 29 school divisions in which it is in place and has been in place during the past year, those are largely in western Manitoba and the interlake as the honourable member knows, there was the intention, on the part of the previous administration to expand it during the past fiscal year, the one just ended, into six more school divisions, which would have taken the total to 35, and then in the current fiscal year, or close thereto, I think the previous administration was projecting expansion into the north and into urban centres such as Brandon and Winnipeg.

We have frozen the program geographically in the 29 divisions it's in, and we are providing the necessary funding under the appropriation for this program in front of the honourable member for a pilot project in Turtle Mountain School Division that will be undertaken and operated by the Manitoba Dental Association, a private profession; and we are in consultation with the private profession with persons, nurses and others operating in the government program with our director of the Children's Dental Health program, Dr. Jim Leake, and with other officials in my department and colleagues of mine in government to attempt to work out a system that would permit a mix of government operation and private operation that would permit the private profession to participate in the plan and in the program. But that final structure has not been formally worked out yet; I imagine it will take some months to do it. In the meantime, the program is continuing in the 29 divisions in which it's operating and there's no intention to eliminate it from those divisions.

MR. CHAIRMAN (1)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS Mr. Chairman, I think that with these words, I guess that's practically the beginning of the end of the dental program as we knew it, because what's happened these last few months, you're not going to have the staff to be able to do anything else. Some dental nurses and people were taking the course in Regina, and I can only go by the announcement I saw in the newspaper, not from the answers we received in this House so far; we were told that no final decision had been made.

We're going in an area where you had to develop and train these these nurses. They've been told that they could finish their course, those that were in the second year, that's right; and those that were just completing their first year, that the government would not renege, because there was a commitment when they were recruited that the government would pay for their course. That was the first thing, I think that renege is the word. Now, there was another statement made, that certainly there wouldn't be any jobs guaranteed. That I can understand, if there is no program, you can't guarantee jobs, and maybe the government can say, well, if that is the case, then what's the use of going on with their training. I'm going to talk about the program. Now I'm just talking about the staff and I think it's a shame what happened to these young people who were recruited quite honestly; they responded sincerely, they accepted and took the course and all of a sudden that will be a year or two in their life that will be wasted. That was a good program, a program that was tried in different other areas; there was no ideology at all; and it seems that this government now is so afraid — talking about governments being involved, especially when there are professionals involved in there, the Dental Association. I filed all the correspondence last year that was tabled in this House. I was requested and I agreed. It is a different program, a private program has not worked in the past.

It's been very obvious, it is another one of those programs I'm beginning to think that it's more just words, because we've talked about prevention, education, this is exactly what this program

did. It was education; it was prevention; it was training; and it was a way to cut down on the health costs of the people of Manitoba. This is what we are looking for; it is felt that the cost is too high, that sometime, somewhere, this has to be reduced. It is taking the kids early and doing the work — first of all, there is a shortage of dentists, this program would not hurt one single dentist — it wasn't meant for that, there is no reason, they are so busy. It'll take quite a while before you have dentists, especially in certain areas of the province.

The Dental Association were invited to submit a pilot project, which they did at the time. It was only when the program started that they decided to do it. It became a political point. It was a group that certainly supported the present government and it seemed to say, "okay, here you are, we're going to pay you off now." And I think that's a bloody shame.

We are talking, as I said, to try to cut down on the costs. There is certain work that can be done very easily, and that should be done by other people. It doesn't have to be done by the dentists. Now, if my honourable friend thought the work wasn't well done, I have a report from Saskatchewan — they talked also about the cost. The cost, I think is important; what the program would achieve, the percentage of utilization, and the quality of the work, I think those are the things to look at.

There is no doubt that when we talked about the cost, of course there was a lot of money spent and that will be wasted. Human resources will be wasted, people that leave the province also, as I said. They've tried, as I say, a private plan, the rate of utilization wasn't there. Before there were any programs at all, there were certain families, a certain percentage, maybe 24, or 20 percent, of people that took their children to the dentist regularly, once a year or whatever. And when, for instance, the province of Quebec tried that program, a private program, the utilization rate was exactly the same, or maybe one percent higher. In other words, the same people that were getting this work done were now covered by the plan. The education value and the training didn't affect anybody at all. —(Interjection)— That's right. They had to go to the dentist, and it was felt, the same as we were talking about immunization and so on, that the work could be done so easily in the schools. That is the difference, the only difference, the dentist would be paid so much, the dentist that wanted to work — maybe a young dentist starting, nobody was forced to get in the plan — he odd one hired by the government, those that wanted to tail off, that don't want to work too much, some of the older dentists.

They were doing that work, the idea was to bring it in in the north and in areas where there were no dentists serving at all. Everybody — and that program didn't go for many years, it was just started — anybody that had anything to do with it were very, very pleased. I can tell you that they weren't, certainly not all, supporters of the New Democratic Party, or they certainly weren't socialists. When you have people like Bobby Bend, I don't think he can be accused of being a socialist; he was the Superintendent, and he had nothing but praise for this program.

Now, I think that this is, as I say, starting at the end, it would have been a lot easier for the government in a year of restraint, if they said, all right, we're going to cut this program, because that's exactly what's going to happen. That is just the way to stop, to freeze everything, a program that was going and expanding, and now we're going to see what's going to happen. There is no doubt. Look at the cost of Medicare. Look at the high cost of Medicare. Why shouldn't you have paramedical people in this field to do certain things that they're trained for and nothing else. Not to do the work of the experts. The cost — it's always the same — looking at the cost of Medicare, I don't blame them; it's not only the cost today, it's the cost in a few years when they've got the program, the same as you have Medicare. Then there's no way. There's no competition. This government is talking about competition. There is no competition at all, and then they name their price. Of course, there's a high cost to start, because you've got to have the mobile units, you've got to have the facilities, you've got to train these people, that was there, but let me tell you what

The increased number of children enrolled in the program — this is a report signed by a dentist, a well-known dentist — this is Saskatchewan Dental plan, and it says, "the increased number of children enrolled in the program, combined with growing efficiencies, has resulted in a reduction of the average cost per child from \$158 in the first year to \$83 in the current year, despite the high rate of inflation during this three-year period." This is the latest that comes from Saskatchewan.

Now, let's talk about the quality of the service, Sir. In 1976, a study was conducted to evaluate the quality of care provided by the Saskatchewan dental nurses. In February of that year, three dentists from outside the province, one specialist in children's dentistry, and two specialists in restorative dentistry, surveyed 410 children in kindergarten to Grade 2, a total of 2,107 — and I

always have trouble with this word, amalgam restorations and 97 stainless steel crowns were assessed. Later analysis of these fillings showed that 1,503 fillings were placed by the Saskatchewan dental nurses, and 604 by dentists. Overall, the restorations were rated as follows: Unacceptable, dentists, 21.1 percent; dental nurses, 3.7 percent; superior dentists, 16.5 percent; dental nurses, 47.7 percent; adequate dentists, 62.4 percent; dental nurses 48.6 percent. This is certainly no discredit to the dental profession — there are certain things that people doing the same thing that are careful, can do well. There are many nurses working in clinics now that do all — you're paying through Medicare, paying for vaccination and so on, and the nurses are doing it most of the time; that could be done.

Are we really serious in trying to cut costs, or do we have, as was said in this House before, a certain group of people that are over and above all this? It was said — if I talk like this, it'll be said tomorrow, I suppose that I'm anti-professional, that I'm against the doctors. This was said in a statement, that I always wanted a confrontation with the medical profession, or the dentists, and I refute that very sincerely. But I think that this is our job to find out and to keep the costs, when the taxpayers of Manitoba are paying for it, keep it down.

I want to talk about the percentage enrolled for the utilization rate and the total — there is different ages — but the total seemed to be approximately 96.9 percent. I'd better not mislead you here. But those born in 1967, it was 75.3; born in 1968, 89; that's quite a jump from the first year, it takes awhile to organize. Born in 1969 there were 85; born in 1970, 86 percent; born in 1971, 81 percent, so it's in the 80s, it's in the middle 80s, instead of 20 percent. So this isn't reported. For a long time we were saying, "What's going on in Saskatchewan?" Well, we've got the cost, and the cost of administration. You see, I think there was a question of comparing apples and oranges in many areas, and it was just talked about the cost — all kinds of figures — I think the Minister used 225 or something, he was repeating. It might not be the Minister.

During the first year of the Dental Plan, administrative and other costs associated with implementing a new program were presented as an average per child expenditures of 25.99, that was just for the administration, and that's high when you start something. There is no doubt about it.

The total administrative costs have increased in each of the two following years. However, the increase in enrolment as a result and the decrease in the administrative cost per child, to \$7.30, despite high inflation rates for the same period, and increase and everything else.

So I say that this was a program . . . what did the Minister talk about in the past? He talked about education; no program that did a better job of educating than that. He's talked about prevention, to stay healthy, that's what this program will do in the schools. So, now we are giving in, for why? Because there seems to be a reason — because the former government, the socialist government, brought this program in. It was a socialist government in Saskatchewan that brought it in, so it must be bad.

Now, mind you, it was the socialist government that brought Medicare and hospitalization — we're all on it now — nobody dare say that it's bad. Now it wasn't only Saskatchewan that had this program, that was a program in 25, 26 countries around the world and it's working well.

I think it's unfortunate, I think this government should have, before causing all that, I think it could have gone easy. I don't think we did the same thing. We talked about being careful. We had to be careful. Our First Minister and the Cabinet decided that they would be restrained over the last few years, and at one time it was felt that we would go and recruit in Jamaica or in Australia or New Zealand, we didn't. But we were told to make do with what we had in the training. Now, all of a sudden, people that went in this program, you know, thinking that there was a chance for them to advance, there was a chance to do something, and they were looking at their future — young people — were sent to Regina to take this course are told, well, there's no way that we can guarantee your job. Legally, there's no way, there's no doubt about that, that you're not going to guarantee people a job when there's no program. And those that are finished, fine, that are finishing their last year; but the others, well, I doubt if the government will be able to pay.

So, everything is there; it has been proven. We've heard at times from people that were afraid. You know, the medical profession did the same thing when they started Medicare. They didn't want Medicare at all. It's a natural thing. It doesn't mean that you want a confrontation with these people. When you have a responsibility and the responsibility is not to look after any special or favourite class in society — and I don't think that the Medicare Program was set out as a program for the doctors, to help the doctors; and I don't think that this program was there to help the dentists, that is, to work for the people of Manitoba, for our citizens, the people that are paying for it — that doesn't mean that you have to fight with doctors, and so on; but it's the same thing. You know,

there's a confrontation every day.

The Minister had one with the nurses. There's some every day, if you want to call it confrontation. We don't hear about that. But there were members of this House who did everything possible, although they knew that they were wrong, to try to make a point, and the Minister, himself, at times said, "Well, it won't be like the former administration; there won't be a confrontation," and that's a joke. That's a joke. If somebody wants a certain amount of money and if they want to go on strike, and if the people who are paying the shot — be it the taxpayers or anybody else — decide that's it, we can't go any higher, we're sorry; it's exactly what the Minister and the Cabinet did with the medical profession this year. Exactly. Well, that's called consultation if it's a Conservative Government and I think that's most unfair, Sir. That's consultation. Seven days, couldn't sign a program, there were no fees arranged.

On the 7th of January, over a year, there was a big meeting and we were told that they were withdrawing the service from the government. Now, there's no contract. What's the date today? May 25, there's no contract, there's nothing, but it's not confrontation, it's consultation. I think that was most unfair from those people who were in opposition, that that went on and pushed that. That seemed to be the respect that politicians have for each other these days and that's what cheapens us, I guess. It's okay to be partisan, and so on, but with certain things like that I think that's most unfair, and I mention that.

There's nobody who spent as much time discussing with the dentists than I did; and I tabled everything; and I invited them to come in and develop a program, a pilot project, and they refused, or they didn't do anything about it until the program was in. Now a program that was going well, for all indications it was going to be successful, that what was done was very successful. It is a program that all the members of this House, and especially the present Minister, accepts because of the education and the prevention, and so on, and now we're saying, "No, we're not going to have this program," and it seems to be why. It seems that there are some people who are so paranoid that if something was done — you know, there's no admitting that any program, if it's not done by a certain program, we're going to knock it, we're going to freeze it or we're going to start anew. Well, you know, the world doesn't stop because there's an election and a change of government; and if you're talking about wasting money and all the money that was spent on this, and so on, and goes for nothing . . . You know, a little while ago we were talking about a Reh-fit Centre, there was all kinds of money spent in that area but the government figured, well, it shouldn't be there, it should be in this area, and that was changed. Well, it's going to be pretty darned costly.

This was mentioned — and I've never said that before in any of the debate — it was mentioned in this House in the last few days, that this is the payoff to a group that supported this government. I think it's unfortunate because the loser will be the patients and the people that were ready to work with the patients — I'm talking about the dental nurse — but nobody cares about them because they don't seem to be at the highest level. But right away you're protecting and I think you've got to be fair with everybody. I don't think that there should be any privileged class in society. It's not so bad, it's not so bad. You know, the Task Force are saying now, "Well, when you do it, first there's got to be a different way." Now, the balloon that's flying now is a statement that they might be, they're studying the assignment. I'm talking about the medical profession, and it seems to be the same thing, which will again be another thing that will kill another program or it will be ridiculous.

What did the Free Press Editorial — the Minister — say? Well, there's got to be a better way. There is no better way. It is tough. It's one of the responsibilities of office, that you must face these people, and if you're determining fees that the taxpayers will pay to any group, professional or not, there is no shortcut. You can't have an independent group that will determine. It's got to be done by the government in power. —(Interjection)— What's that? State control.

Well, Mr. Chairman, there is such a thing you know, there are some people who have certain ideologies and everything is white and everything is black, there's nothing in between. —(Interjection)— Well, there is a lot of state control. There certainly is a lot of state control.

But in this case, and we were talking about the Medicare, I can't see where that is state control where the people are told this, the people delivering the service are saying, "All right, we have a program with the two levels of government and this is what is going to be done. This is what we're ready to pay. We'll discuss it every year. We'll try to arrive at a fair fee." Now, those who want to accept that as payment in full, opt in and we pay them direct. If they don't, they opt out. They're exactly the way they were before, free enterprise, or exactly the way they were before. There are some of them, quite sincerely, who want no part of it. They don't want to be tainted by money that comes from here. In fact, in certain provinces, there is a corporation that will pay them and

the government will send the money there, and then they pay the medical profession. It's kind of a joke, but this is the way it works.

Now, the people are told, "All right, if you're opted out, you just go to your patient, the doctor-patient relationship, the same as you had before, and you collect from him." And still, he's away better off than before because the government — the people of Manitoba — will still pay the patient the same amount he would pay the doctor had he been an opted-in doctor.

And we say state control, the member says state control and we're going to bring an assignment, which will be a e damned joke, which will be a damned joke, because then you will have doctor control instead of state control, but you will pay the shot, you will pay the whole bill. I think we're having the same thing. This was not hurting the profession one bit.

There is no dentist that's in danger here at all, not a single dentist if he's worth his salt; because there is such a lack of dentists. There's such a shortage of dentists. Nobody was forced to work in the plan, and besides that that would generate revenue for them, because of referrals the people could go to the dentist of their choice, for any referrals, for just the first examination.

You had people doing certain things that three eminent Canadian dentists, and that's not the first one; I've got something if you want to take the trouble of looking at Hansard when we've talked about this program last year — there were other things where these people that say, in effect, for what they're doing, they are doing a better job in many instances, and this is all we're saying.

So, the Minister at least, is not saying, "Here, we're going ahead." He's saying okay, we froze. We're not doing any more, we're going ahead with what we've done in the past. That was supposed to be a universal program. I'm sure that something will happen. Either you go ahead or you go backwards, you can't stay there. You can't just have a program that's going to help only certain areas. That would be unfair to the people of Manitoba. So what are the choices?

The choices are that you will go ahead and go ahead with the plan. Later on, that will be tough because you've discouraged some of the nurses. That will be an excuse, I guess, to go slow and that will save money. But if that's what we want, I'd sooner have somebody honest and say, "Well, we're not going to have an excuse, we don't want this program. It's a good program, but it's too costly." If that's the case that's exactly the right of the government of the day to say that.

Well, what are you going to do? You're going to turn the plan, after spending the money. This is what it is going to cost after spending lots of money, you're going to turn that over then to a private plan and you're going to see it's not going to be better work. It's not going to be better work and it's going to cost a lot more money — maybe not the first year.

You know, it was the same thing. Autopac was supposed to be the same thing and the fact that we have had Autopac here profits the provinces that haven't got Autopac because it has kept the rate down. It was going wild and I'm saying that with the utilization that you have, with the service in schools, the percentage of utilization, I think it was a good program and it's very unfortunate and the government must take the responsibility for killing a program that did exactly all the lip-service that we're getting about education, about prevention, about the good life and letting the people know how to take care of themselves.

MR. CHAIRMAN The Honourable Government House Leader.

MR. JORGENSEN Mr. Chairman, I wonder if honourable members would be disposed to having the committee rise at this stage.

MR. CHAIRMAN Committee rise. Call in the Speaker.

The Chairman reported upon the Committees deliberations to Mr. Speaker and requested leave to sit again.

IN SESSION

MR. SPEAKER The Honourable Meer for Radisson.

MR. ABE KOVNATS Mr. Speaker, I beg to move, seconded by the Honourable Meer for Portage la Prairie, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER The Honourable House Leader.

MR. JORGENSEN Mr. Speaker, I move, seconded by the Minister of Mines and Resources, that

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the House do now adjourn.

MOTION presented and carried and the House adjourned until 10:00 a.m. Friday morning.