

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 22 April, 1980

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for Radisson.

MR. ABE KOVNATS: Mr. Speaker, the Committee of Supply has considered certain Resolutions, directs me to report progress and asks leave to sit again. I move, seconded by the Honourable Member for Virden, report of Committee be received.

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W. J. MERCIER (Osborne): Mr. Speaker, I wish to table the 1979 Annual Report of the Manitoba Human Rights Commission.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Before Oral Questions I should like to draw the honourable members' attention to the Speaker's gallery where we have an Icelandic Cultural Group in our gallery. This group consists of Mr. John Asgierson, Mr. and Mrs. Halldorson, Mr. and Mrs. Gudjonsson and Mr. and Mrs. Bill Holm. They have been touring the province and several Icelandic communities. On behalf of the honourable members, we welcome you here this afternoon.

We also have 80 students of Grade 10, 11 and 12 standing from the Nelson McIntyre Collegiate with an Exchange Group from Vancouver, British Columbia. This school is under the direction of Mrs. Glade and it's in the constituency of the Honourable Member for St. Vital.

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

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, my question is to the Minister of Northern Affairs. Can the Minister of Northern Affairs advise whether he advised the MMF that core funding for the MMF has been tied up due to the fact that his estimates have not yet been dealt with?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. DOUG GOURLAY (Swan River): I met with representatives of the MMF this afternoon and advised them that no decision had been made on funding to date.

MR. PAWLEY: Mr. Speaker, would the Minister elaborate as to the reason that this stage, after interim supply, after the distribution of the printed estimates, that no decision has been made in respect to providing the MMF with the traditional core funding which they've received from the government of Manitoba since 1972.

MR. SPEAKER: The Honourable Minister for Municipal Affairs.

MR. GOURLAY: I have had ongoing meetings with the MMF and as of April 1st that responsibility comes under my jurisdiction. Up until March 31, 1980 it was under another department and I have been working regarding the core funding decision but a final decision has not been made to date.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, can the Minister advise whether or not there are funds included within the appropriation for his department for the MMF within the printed estimate book that was distributed to members of the House.

MR. GOURLAY: Yes, there are substantial funds included in this year's estimates but not necessarily — as I mentioned no decision has been made regarding the core funding but there has been several thousands of dollars in the estimates to cover Metis programs.

MR. PAWLEY: Mr. Speaker, in view of the fact that there are funds within the estimates for the MMF, can the Minister assure us that the MMF then will receive payment of funds as soon as is possible so that they can continue on with their operations without any undue delay since funds are included within the printed estimates toward the use of the MMF.

MR. GOURLAY: Thank you, Mr. Speaker. As I indicated earlier, that decision hasn't been made yet.

MR. PAWLEY: Mr. Speaker, can the Minister assure us then that the funds for the MMF are not held up, as was suggested by him apparently to the MMF, due to the fact that his estimates had not been dealt with due to the fact that his estimates were at the tail end of the departments being dealt with during the estimate process and that was the reason for any hold up in funding.

MR. SPEAKER: Order please. The question is repetitive. I have to rule it out of order. The Honourable Leader of the Opposition with another question.

MR. PAWLEY: Mr. Speaker, I don't see where the question is repetitive, it's very precise and very specific

as to whether or not indeed the suggestion that had been made by the Minister to MMF that the Opposition was responsible for the fact that the funds had not been paid to the MMF.

MR. SPEAKER: Order please. Order please. Order please. The honourable member care to ask a question? The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, the question that I would ask would be the one that you had suggested was repetitive and with all respect to you, Mr. Speaker, I believe that the question which we asked the Minister . . . can he assure us that funds are not held up due to any action on the part of the Opposition but are held up only due to action on the part of himself and/or his Cabinet colleagues or omission on the part of himself and/or his Cabinet colleagues.

MR. GOURLAY: Mr. Speaker, the Leader of the Opposition is obviously confused by his informants. The information that I gave to the MMF was the procedure that we use in determining who comes into the House for their estimates and who goes into Room 254. At no time did I say that the Opposition was responsible for holding up any payments, because I clearly indicated to them that no decision had been reached yet on the core funding.

MR. PAWLEY: Mr. Speaker, is the Minister then holding up the payment of the funds until the passage of his estimates?

MR. GOURLAY: No, not necessarily. I can't very well pay out any funds until I know who they are to go to.

MR. PAWLEY: Mr. Speaker, I am really attempting to share with the honourable member a discussion as to what the precise problem is. I understood a few moments ago that the Minister did in fact indicate there were funds that were within his estimates for the MMF. Is the Minister now indicating that indeed those funds that are within his estimates, he knows not to whom they will be paid?

MR. GOURLAY: As I indicated at the start, no decision has been made regarding the core funding.

MR. PAWLEY: Mr. Speaker, then in that event, can the Minister advise when a decision will be made and by what body, and why a decision had not been made prior to the printing and distribution of the estimates, including funds for the Metis Federation?

MR. GOURLAY: Mr. Speaker, I hope a decision can be reached soon.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. JUNE WESTBURY: Mr. Speaker, my question is addressed to the Honourable Minister of Municipal Affairs. Would the Minister advise the House whether an investigation is being conducted into the affairs of the LGD of Alexander.

MR. CHAIRMAN: The Honourable Minister of Municipal Affairs.

MR. GOURLAY: I didn't catch the first part of the honourable member's question. Would you mind repeating that again, please. I'm sorry.

MRS. WESTBURY: Whether an investigation is being conducted into the affairs of the LGD of Alexander.

MR. GOURLAY: Mr. Speaker, I have staff doing some work in that regard and I will hopefully have a report on that soon.

MRS. WESTBURY: A second question to the Minister: Is the Council operating at full strength; have they a quorum? If not, how is the LGD operating at the present time?

MR. GOURLAY: Thank you, Mr. Speaker. The two remaining Council members have been suspended for the time being. The Council affairs are being handled by the administrator, who is a resident in the community, in addition to assistance from other Municipal Affairs staff.

MRS. WESTBURY: I wonder if the Minister would advise the House whether it is anticipated that any charges will be laid against any formerly-elected officials of the LGD?

MR. GOURLAY: I can't give any indication of that at the present time.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Speaker. My question is to the Minister of Northern Affairs. As the Minister has confirmed that no decision has been made yet in regard to core funding for the Manitoba Metis Federation, and as the Minister has also further confirmed that his department is examining different options as to how to apply or not to apply that funding, I would ask the Minister if he can further confirm now that this method of determining whether different options will be implemented has been, first, referred to the Manitoba Metis Federation today and that the Minister has been undergoing this process without any consultation in specific regard to core funding with the Manitoba Metis Federation.

MR. GOURLAY: The answer to that question: We have the situation under review. Certain funds have been allocated, but as I indicated earlier, no decision has been made as to who they will be paid to or how they will be paid.

MR. COWAN: Thank you, Mr. Speaker. Well now the Minister opens up a different question. I would ask the Minister who else besides the Manitoba Metis Federation the Minister is considering as a group that might receive this core funding, an amount that equals approximately 130,800, what other groups is the Minister considering in regard to applying such funding to?

MR. GOURLAY: Mr. Speaker, we have been looking at the whole business of funding to the Metis community. As you realize, a lot of funds have been paid out under many departments and I have been trying to get the total impact of all the funding that has been going out, and we are looking at this situation. As far

as with respect to organizations, we have made no decision with respect to that point.

MR. COWAN: Thank you, Mr. Speaker. Can the Minister confirm that his department, or other departments within his government, have been over the past number of months conducting audits of the funding of the Manitoba Metis Federation and that to date the Manitoba Metis Federation has not been informed of any irregularities or any difficulties in that funding and that therefore there would seem to be no reasons to change a process that has been in effect since 1972 in regard to core funding.

MR. GOURLAY: Yes, I have been fully aware that there has been some audit investigations taking place.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, the Member for Rossmere asked me a question a little while ago with respect to whether a decision respecting a case involving a breathalyzer would be appealed. Mr. Speaker, I can confirm to him my advice at that time that there will be no appeal of that case under the circumstances but, as a matter of practice, the Crown will call rebuttal evidence in future cases where similar facts occur. In the case in question expert evidence was called, the Crown are of the view that that kind of evidence is subject to dispute, and in the future will be calling rebuttal evidence.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. SCHROEDER: Thank you, Mr. Speaker. To the Attorney-General: Is it then the position of the Attorney-General's Department that had the appropriate evidence been called in that particular case, that a different decision might have been arrived at?

MR. SPEAKER: Order please. I believe the honourable member is asking for a judicial opinion and I would think that that is probably out of order. The Honourable Member for Rossmere care to rephrase his question?

MR. SCHROEDER: Mr. Speaker, the time for appeal, I understand, has now expired, and the Attorney-General has indicated that in future cases of a similar nature, those cases will be handled in a somewhat different fashion. I am just wondering whether, in light of the fact that there would be, I'm sure, tens of cases currently pending of a similar nature, I'm just wondering whether in fact such evidence in this type of case would have changed the outcome.

MR. MERCIER: Mr. Speaker, my advice is that it has come to the attention of the department that in similar situations there is expert advice available to the contrary, to that which was tendered in defence in the case in question and in future cases under similar cases that expert evidence will be called.

MR. SCHROEDER: Thank you, Mr. Speaker, to the Attorney-General. Then can the Attorney-General confirm that in this particular case the reason there was no appeal was that it was the view of the department

that it would have been an appeal on facts as opposed to on law. Is that correct?

MR. MERCIER: Mr. Speaker, the view and advice from the Crown Attorneys involvement with respect to this case is that, in fact, expert evidence was called in to support the defence and there was no advice to the contrary available to the Judge to find in any other manner than he did.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you, Mr. Speaker. My question is to the Minister of Northern Affairs relating to the previous questions on the MMF. Can the Minister indicate if his department and/or people that his department have sponsored, have completed their audits of the Manitoba Mtis Federation, and are they convinced that there are no irregularities which would hold up the MMF core funding for this year?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

MR. GOURLAY: Mr. Speaker, members from the Department of Northern Affairs did not conduct any audit.

MR. BOSTROM: Mr. Speaker, can the Minister indicate if the audits that were completed and conducted on behalf of the Manitoba Government, have been completed and show clearly to the government that there are no irregularities which would provide any reason for them to hold back MMF core funding?

MR. GOURLAY: Well I think with respect to the question of the audit, that should be directed to the Minister of Finance whose department conducted the audit.

MR. BOSTROM: Mr. Speaker, it's obvious the Minister doesn't want to answer the question; surely knows the answer. Mr. Speaker, I would like to ask the Minister if he can indicate if his staff or any member of the Manitoba Government acting on behalf of his department, have contacted the federal government to try to influence them in their decisions regarding the funding of the Manitoba Mtis Federation.

MR. GOURLAY: Mr. Speaker, we have not in any way tried to influence the federal government with respect to their funding of MMF.

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH COSENS (Gimli): Mr. Speaker, I took as notice a question from the Honourable Member for St. Vital regarding policy dealing with the disposition of the proceeds from the sale of school properties, school buildings. I can inform him at this time that the policy of the public schools finance board, with regard to the disposition of the proceeds of sale of capital assets is as follows: If the land, building or bus being sold was originally purchased through funds provided under the Foundation Program, the Public Schools Finance Board will require that the proceeds be turned over to the Foundation Fund. However, if the capital asset being sold is being replaced with a similar capital

asset, then the Public Schools Finance Board will require that the proceeds be used towards purchase of the replacement asset.

Thirdly, Mr. Speaker, if the capital asset being sold is not required for any purpose by the school board and was originally purchased through funds raised by the school board and not by the Foundation Fund, then the Public Schools Finance Board will authorize the school board to retain the proceeds for its own purposes.

MR. WALDING: Mr. Speaker, I thank the Honourable Minister for that information. I would like to ask him whether that information has been communicated to school divisions so that it might assist them in coming to a decision as to whether or not to close a school.

MR. COSENS: Mr. Speaker, I can assure the member that I am almost 100 percent sure that all school boards are very much aware of that policy.

MR. SPEAKER: The Honourable Leader of the Opposition. —(Interjection)— The Honourable Member for St. Johns.

MR. SAUL CHERNIACK: Mr. Speaker, I wish to raise a matter of privilege and I therefore requested my leader to let me do it on the earliest opportunity. I raise this matter of privilege on behalf of the Member for Rupertsland who did not hear, whilst he was questioning the Minister for Northern Affairs, did not hear at least three occasions when the Member for Minnedosa kept calling out to the Member for Rupertsland, Are you worried about your salary? Mr. Speaker, I challenge the Member for Minnedosa to be accountable for what he says or to withdraw the implication which he made.

MR. SPEAKER: Order please. One of the problems we have in this Chamber is that there is a tendency on the part of many members to indulge in conversation when someone else is speaking. I have repeatedly asked members not to indulge in their own private conversations when some members are speaking. I sincerely hope that all members of the House will afford a member who is speaking the courtesy of the floor, and that includes certain members who, even now, do not wish to afford that opportunity to members who are speaking.

If the member has clearly heard something that transpired, I think that it is a matter that should be cleared up, and I would ask the Member for Minnedosa to either confirm or deny what has been reported to have been words of his origin.

MR. DAVID BLAKE (Minnedosa): Mr. Speaker, speaking to the point of privilege, if that is on the record before the Member for St. Johns put it on the record, I have no hesitation about withdrawing it. But it is nice to see the Member for St. Johns is back and we can get back into these types of exchanges in the House. We had such a pleasant time in Public Accounts this past issue when he wasn't around and we had a gentlemanly exchange of debate, now that he's back . . .

MR. SPEAKER: Order please. Order please. I hope the honourable member realizes that it's highly improper to comment on the presence or absence of any particular member of the Chamber.
The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Speaker, on the matter of privilege, I have no objection whatsoever to the Member for Minnedosa or anyone else noting my presence or absence from this Chamber. What I do want to make clear, Mr. Speaker, is that although the member may hide behind the fact that the microphone is not set in front of him, he still has a voice loud enough to carry across the room and uses it in a manner which is highly disrespectful of this House and of you, Mr. Speaker, and the meetings you conduct. That is the point I am making.

MR. SPEAKER: Order please. I would hope that every member of the Chamber listens wisely to the words that were issued by the Honourable Member for St. John and I would hope that the tenor of debate in this Chamber is raised substantially as a result.
The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, yesterday the Honourable Leader of the Opposition asked me for information relative to the number of neurosurgeons and beds available at the Health Sciences Centre. D2 is the ward at the Health Sciences Centre that accepts neurosurgery and neurology patients, it comprises a total of 36 beds, the number assigned to neurosurgery or neurology specifically is not designated, Sir, it depends on need, but usually the ward is half neurosurgery and half neurology. There are four neurosurgeons at the Health Sciences Centre, two of which never admit, or rarely admit patients, the other two of which do admit patients. There are four neurologists, one of whom rarely admits, the other three of whom do admit patients. Over the past weekend, there were several beds vacant on D2 and as of this morning, Sir, there were two beds empty and awaiting their next patients on D2.

MR. PAWLEY: Mr. Speaker, I thank the Minister of Health for his information. Further to the Minister of Northern Affairs: I am sure the Minister of Northern Affairs, Mr. Speaker, would not like to leave an impression that he was suggesting that the funds were held back due to irregularities. I am sure that was an inadvertent statement on his part. Could the Minister indeed confirm that there has been no non-payment of funds on his part due to any irregularities on the part of MMF?

MR. GOURLAY: Thank you, Mr. Speaker, I did not indicate that there were any irregularities. As of the 1st April the responsibility came under my department and we have the situation in review and have not made a decision at this point as to the payment of core funding to the Metis people.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I'd like to direct a question to the Minister of Urban Affairs and/or the Attorney-General. In view of the apparent conflict of interest involving Councillor Jim Ernst, since the City of Winnipeg Act is a provincial statute does the Minister intend to investigate this matter?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, without receiving a complaint from an individual, that is one of a number of ways in which this matter could be dealt with in the courts, the answer to the question is no.

MR. DOERN: Mr. Speaker, I have to ask the Minister again whether he does not feel that as Minister responsible for the statute, namely Minister of Urban Affairs and as the Attorney-General, that he doesn't have sufficient authority to enforce the legislation, without a complaint?

MR. MERCIER: Mr. Speaker, neither the Department of Municipal Affairs nor the Department of Urban Affairs, to the best of my knowledge, has ever regarded its role as one of a policeman with regard to people holding elected office at the municipal level.

MR. SPEAKER: The Honourable Member for Elmwood with a final supplementary.

MR. DOERN: Mr. Speaker, in view of Mayor Norrie's questioning whether the province is serious about implementing stricter conflict of interest legislation, does the Minister feel that the legislation as presently constituted has sufficient teeth in it?

MR. MERCIER: Mr. Speaker, if what has been alleged to have taken place in this particular matter is true then the legislation clearly covers the situation adequately. I point out, Mr. Speaker, to the Member for Elmwood that the City of Winnipeg Council recommended in early 1978, I believe it was, that a Municipal Conflict of Interest Act be passed applicable to all elected officials. Because it involved municipal elected officials across the province, I subsequently forwarded their brief they had prepared to the Union of Manitoba Municipalities and to the Association of Urban Municipalities for their consideration and recommendation. I have received no response, so that I, in following this matter up again, wrote to Mayor Norrie on February 29th of this year, Mr. Speaker, advising him that up until that time the Union of Manitoba Municipalities had indicated that its members would prefer to deal with questions of conflict of interest by by-law, without any changes in the Municipal Act, but that the Manitoba Association of Urban Municipalities had indicated they wanted to study the matter further. I close by indicating that I trust that the city of Winnipeg as a member of the Manitoba Association of Urban Municipalities would contribute fully to the development of their position. Members of City of Winnipeg Council attend all conventions and meetings of the Urban Association, and in fact have held positions as President of that Association, and on the executive of that Association, so I indicated in my letter of February 29th of this year, the position up until that point of time and I fully expect that the City of Winnipeg Council in pursuing this matter will bring forth their position to the Urban Association so that a recommendation eventually will be made by that association to the provincial government.

MR. SPEAKER: The Honourable Member for Elmwood with a fourth question.

MR. DOERN: Mr. Speaker, I wanted to ask the Minister, in view of Mayor Norrie's comment that he questioned whether the province had the political will to

enforce or enrich that legislation, I ask the Minister whether he has the political will or the interest in strengthening that legislation.

MR. MERCIER: Mr. Speaker, I have indicated as long ago as a year and a half that we had an interest with respect to this matter. The City of Winnipeg Council, again I point out, suggested that there be a Municipal Conflict of Interest Act that would be applicable to all elected councillors on that basis at the time, and that is the reason why I sent it out to the other municipal organizations that would be affected by it for their comments. I am disappointed that the associations have seen fit not to respond in the space of the last eighteen months, but I brought this matter to the attention of the Mayor again in February hoping that the City of Winnipeg Council through its membership in the urban association would have this matter dealt with by that association.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, my question is the Minister of Labour. I wonder if the Minister could indicate what further action, if any, he intends to take with ManFor because they have laid off employees at the sawmill division without, what appears to be, appropriate notice in terms of layoff time.

MR. SPEAKER: The Honourable Minister of Labour.

HON. KEN MacMASTER (Thompson): Mr. Speaker, I am somewhat familiar with the situation and I believe that the member was correct when he said, in his opinion, it appeared not to be appropriate time. The facts are, Mr. Speaker, that appropriate notice was given in this unfortunate situation.

MR. McBRYDE: Mr. Speaker, I'd like to address a question to the Minister of Northern Affairs, who unfortunately appears to have inherited the confrontation and negative approach of his predecessor in dealing the Manitoba Metis Federation. I wonder if the Minister could indicate whether there will be any cutback in efforts of the Manitoba Metis Federation to improve the lot of Metis people, especially through the avenue of economic development, because of his withholding of their core funding which they have been receiving since 1972.

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. DOUG GOURLAY (Swan River): Thank you, Mr. Speaker. I certainly wouldn't want to leave the impression that I was contributing to cutbacks in economic development with respect to the MMF. This is not my intention.

MR. McBRYDE: Mr. Speaker, then I'll have to ask the Minister, what effect does he expect it to have when he withholds core area funding, that has been granted since 1972, from an organization that is assisting people with economic development? What effect does he think it's going to have when he withholds this money?

MR. GOURLAY: Thank you, Mr. Speaker. As I indicated earlier, I have the situation under review at the

present time, however, a decision has not been made re the funding.

MR. SPEAKER: The Honourable Member for The Pas with a final supplementary.

MR. McBRYDE: Mr. Speaker, I'd like to ask the Minister of Northern Affairs if one of the organizations he is considering giving this grant to, instead of the Metis Federation or as well as the Metis Federation, is the Metis Confederacy?

MR. GOURLAY: Thank you, Mr. Speaker. I've had discussions with a number of organizations, Metis people, including the Confederacy and the Metis Women's Association, the MMF, perhaps there was one other organization — I can't remember — but as I indicated several times today, a final decision has not been made with respect to any funding at this time.

MR. SPEAKER: The Honourable Member for Wellington.

MR. BRIAN CORRIN: My question, Mr. Speaker, is for the Honourable Attorney-General and flows from the questions and responses given to the Member for Elmwood with respect to the question of the enforcement of The City of Winnipeg Act. Will the Attorney-General, in his capacity as Chief Law Enforcement Officer of this province, undertake to communicate with the city of Winnipeg, and in that regard, Mr. Speaker, will he confirm the breach of the Act pursuant to Section 88.1 of The City of Winnipeg Act, and will he notify the council members of proceedings that can be taken through his office pursuant to Section 94, Subsection 2 of the Act, to unseat the member if he refuses to voluntarily forfeit his seat? In this regard, Mr. Speaker, I would ask whether, if the Attorney-General is not moved either to make the notice to give effect to the purpose of these actions, and if the honourable council members are unwilling to move themselves, whether he will undertake to entertain the citizen's complaint pursuant to Section 94.2 of the Act and file forfeiture proceedings on behalf of the Crown against Councillor Ernst?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, I'm certainly prepared to give consideration to those numerous matters that were referred to in that question.

MR. SPEAKER: The Honourable Member for Wellington with a sixth question.

MR. CORRIN: Mr. Speaker, either my memory is very poor or your power of observation is diminishing. Mr. Speaker, through you to the Honourable Attorney-General, in view of that response I presume that he's not willing to be forthcoming in this regard this afternoon and, of course, further questions will come on another area of his responsibility dealing with the upcoming meeting with Mr. Pepin, the Federal Transport Minister. We, on this side, would ask whether or not, if the Honourable Federal Minister undertakes a 50 percent commitment pursuant to the Rail Relocation Act with respect to the relocation of the C.P. main lines in Winnipeg, whether the province will undertake in the next few days to make up the difference between the federal

half and the city's committed one-sixth. In simple terms, Mr. Speaker, will the province be willing to double the city's ante of 31 million as expressed by the resolve of City of Winnipeg Council, and offset that with a further 62 million in order to effectuate the relocation of the lines?

MR. SPEAKER: Order please. The question is hypothetical.
The Honourable Member for Wellington.

MR. CORRIN: Mr. Speaker, I suggest that it's not hypothetical but I'll rephrase the question. I'm asking, Mr. Speaker, in view of the fact that there is a negotiation about to commence within the next 24 to 48 hours in Ottawa, whether the Minister and his government are prepared to respond to a federal initiative placing up to 50 percent of the relocation funds towards this project, to meet the city and the federal government's commitment of funds on the basis of doubling the city's one-sixth. Will they provide some 62 million for rail relocation? I would remind the Minister, Mr. Speaker, through you, that the city has already committed 31 million. Will the province double the city's committed contribution and provide the balance of that funding in order that the rail relocation can be effected pursuant to the provisions of The Rail Relocation Act.

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. MERCIER: Mr. Speaker, if I can, first of all, comment on the preamble to the previous question with respect to the matter of conflict of interest with the city of Winnipeg. The Member for Wellington has demonstrated, in fact, by his conclusion that the person involved is guilty of a conflict of interest, the kind of approach to this that I simply cannot take in my position as Attorney-General. I suggest, Mr. Speaker, to the Member for Wellington, it would be improper, very improper, for me to conclude on my own that anyone at City Council was guilty of a conflict of interest situation and subject to the penalties in the Act. That is a matter that, if it is to be decided upon, will be dealt with in court and, again, I suggest it's improper for me to come to that conclusion because of my position.

With respect to the second matter raised by the Member for Wellington, Mr. Speaker, as to a hypothetical situation which might come about at a meeting with the federal Minister of Transport with respect to rail relocation. I am not going to answer that question because as I have indicated on numerous occasions, the purpose of this meeting is to establish the federal government's commitment to rail relocation and what their financial contribution will be. They have delayed the construction of the Sherbrook-McGregor overpass, they have caused that project, if it is to be proceeded with, to be subject to great inflationary pressures, Mr. Speaker; they have withheld means of satisfying transportation problems of the northwest section of this city, entirely on their own, and I want to see what their specific financial commitment is to rail relocation before any decision is made by the provincial government as to its participation.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, I would like to propose a question to the Minister of Health by way of clarification to the answer which he provided earlier, pertaining to the neurosurgery section at the Health Sciences Centre, his reference that half the beds in question, 18, did in fact have four neurosurgeons, and his reference that several were vacant. Was the Minister referring precisely to the 18 that were part of the neurosurgery portion or rather that those beds that were vacant related to the neurology section which provided for the other 18 beds in the total section?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, I'm not sure that I can answer that without further checking. I did point out I think to the Honourable Leader and members of the House that there is no specific designation or categorization of those 36 beds on D2, they are divided up according to need, as between neuro-surgery and neurology. I can't tell him whether the several beds, which amounted to about half-a-dozen that were open over the weekend and the two that were open and empty this morning, would be designated as neurosurgery or neurology, but the figures would indicate that the volume of demand is being accommodated, whether neurosurgical or neurological on D2.

MR. SPEAKER: Order, order please. The time for question period having expired, we will proceed with Orders of the Day.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Minister of Government Services, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Health and the Honourable Member for Virden in the Chair for the Department of Consumer and Corporate Affairs and Environment.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — CONSUMER AND CORPORATE AFFAIRS AND ENVIRONMENT

MR. CHAIRMAN, Morris McGregor (Virden): I call the committee to order. We are on Resolution 35, 2. — the Member for Ste. Rose.

MR. A. R. (PETE) ADAM: Thank you, Mr. Chairman. I've been in the other committee for the last two days and I want to get back there as soon as I can, so I'm not sure whether we have discussed in the last two days the points that I wanted to raise with the Minister. If he has, then he can tell me. One of the things that I wanted to ask the Minister is, that in a number of cases consumers are required to

put up cash deposits, for instance, renting apartments and so on, and untold thousands of dollars are put up as security deposits. I don't object to the principle of doing that, because there are some people who do not look after the apartments and they're going to leave them in a bad way or do damage to the apartments, and I think it's to the protection of the apartment owner to have some protection in these cases. But what I am trying to bring to the Minister's attention is that there is untold thousands of dollars that are given to the apartment owners and there is an interest rate of 4 percent, and this is really ridiculous. Because this money, I am sure, is put into banks and held in trust or whatever way it's held and can be drawing interest at 10, 12, 15 percent, and it seems unfair that the interest rates are not more in line with what's happening in today's market. That is one point I want to raise. Also, it happens in the Manitoba Telephone System, whereby applicants or subscribers are required to put up deposits, and also it happens in Hydro. Winnipeg Hydro is doing the same thing whereby they are asking deposits of 25, 30, or whatever the case may be; I am not sure what the interest is. But in my own personal case, I just took an apartment here a month ago, and they said, Well, you have to give us a deposit, and I said, What for? Well, we have to have a deposit. I said, Look, I can give you the best credit rating you want, I can get bank credit rating, I have an account with Manitoba Hydro, I have a home and I have been serviced with Manitoba Hydro for years; why would you want a deposit if I can establish credit rating. Well, we don't want to do that, we don't want to spend time doing that, we want 25.00. The point I am making with the Minister is that there is thousands and thousands of dollars that are held by Hydro and by the landowners or the apartment owners. I don't think it is just right, because if they have to go to the bank and borrow money, they are going to have to pay prime-plus, but they insist on paying — in the case of the apartment owners, it's a ridiculous 4 percent and that's unbelievable. That should be up around the 12, 13 percent, Mr. Chairman, at the present time. It is really not fair to the tenant to have to . . . In some cases this money stays there for years. If a person puts up half a month's rent when he moves into an apartment and he stays in there for 10 years, he has had that money for 10 years at 4 percent; it's unbelievable that that should take place. Where I am now, Winnipeg Hydro is threatening to cut off the Hydro because I won't pay the 25.00, on the principle of the thing. I have offered to establish a good credit rating and anything they want and they said, We don't want to do that, we want your 25.00. I would like to know, on what licensing or what legislation does the Winnipeg Hydro take deposits from people and pay interest on it. In other words, they are acting like a bank. They take your money and they hold it for the length of time you are sitting in the apartment, then they are going to pay you a certain amount of interest. They said, Well, we'll pay you bank interest on it, and I'm sure the bank interest, we could get more than the bank interest is today.

I wonder if the Minister could comment on that. Maybe I'm going over the same grounds that he went over during the discussions yesterday or the day before. I would sure like to hear what the Minister's views on this are.

MR. JORGENSON: Mr. Chairman, I am happy to inform my honourable friend that he is not covering ground that has been covered before; that's a new one. I want to tell him that we are pretty well aware of the situation with respect to the security deposits. The matter has been brought to our attention on a number of occasions in the past while, and we are introducing amendments to The Landlord and Tenant Act during the course of the next session. That is one of the matters that will be taken under consideration. I happen to agree with the honourable friend that a 4 percent interest rate on a security deposit is a little bit out of line at the present time, considering the present rate of interest.

With respect to the deposit required by Winnipeg Hydro, it is Winnipeg Hydro that is asking for the deposit and I believe I am correct in saying that it applies to apartment dwellings that are heated electrically. That is something that we have no control over. It is a matter that my honourable friend will have to raise with Winnipeg Hydro. My understanding also is that they do pay an interest rate on that deposit at the rate of — I believe at the present time it is 12 percent.

MR. ADAM: On the latter point, the apartment we are living in is not heated by electricity; it is heated by hot water. The point I am trying to make is, under what authority or what legislation can they act as a banker, because that's what they are doing. They are taking a deposit; they say, We want you to put a deposit here and we'll pay you an interest on it. They are acting like a banker in that case and they are getting money from thousands of people at less than what they could borrow from the bank on, and that's the point I am trying to make. They are getting money a lot cheaper than what they would have to go to the bank and borrow money on. They would have to pay the going rate. The prime rate is 16 1/2 percent, or 17 1/2 percent. They are getting money at 12 percent from countless people in the province of Manitoba. The principle is not right, because I am trying to establish a credit rating, just on the principle of it. They said, No, we don't want to do that, it's too much trouble; you put up the money. That's just cheap money that they are getting and I think something should be done about that.

MR. JORGENSON: As I indicated, my honourable friend will have to take that up with Winnipeg Hydro, and I presume that he has. I don't think that it is one of those areas in which the Department of Consumer and Corporate Affairs could exercise any authority or any jurisdiction.

MR. ADAM: Mr. Chairman, we do have legislation covering apartments in that case, where there is a security deposit, but I'm wondering what legislation gives Hydro the authority, or the Manitoba Telephone System, the authority to do that, to compel anybody to do that, if they can establish a proper credit rating. I don't object to, you know, the principle that they are doing it, because some people are transients, they come in and take an apartment; they stay a couple of months; they don't pay and they go. I know that. I'm not arguing that point. The point is, once you have established a good credit rating, they should accept that, but they don't want to do that. That's the point I'm making. So

they've got all this money tied up and they are getting it very cheap.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I requested Legislative Counsel last fall to prepare legislation to amend The Landlord and Tenant Act in order to provide for a fairer interest return on deposits. I stopped it when I heard the Throne Speech, which indicated that there would be legislation amending The Landlord and Tenant Act. Is it fair to ask the Minister — well, I know it is fair to ask the Minister — is that specifically going to be dealt with in the legislation which is being brought this session?

MR. JORGENSON: It is one of the matters that is under consideration and being proposed as an amendment.

MR. CHERNIACK: Well, then, it means to me that the Minister is proposing it but has yet to get clearance through what internal, Cabinet and caucus procedures. So it is in his hands and he has the moral commitment of the Throne Speech to bring it back in, and that's the reason why I withheld bringing in legislation of my own on that specific. Since the Minister has undertaken that amendments to The Landlord and Tenant Act will be brought in, and this is one of the matters being discussed, then I would assume we will have every opportunity to discuss this further.

I'll leave it at that, Mr. Chairman, but touch for a minute on the point raised by the Member for Ste. Rose on Winnipeg Hydro. The Minister said he doesn't think that it is within the orbit — these are my words, not his — of his department to become involved in that. I want to suggest to him that the authority for his department to work is as broad as he, the Minister, wants to make it. His own description is: Provides for administration of consumer legislation such as The Consumer Protection Act and investigates consumer problems, and mediates complaints between landlord and tenants. These are his words, but investigates consumers problems surely includes any unfair or inequitable transactions that can be made, especially unilateral ones in case of a monopoly, whether the monopoly is a private monopoly or a public monopoly, it's still a matter of concern.

The free market, which I believe the Minister respects so highly, presumably operates when there is an opportunity to say yeah or nay, I will deal with this firm or I'll go to another one depending on the terms they offer, but since Winnipeg Hydro is the only firm that sells any kind of electric power within the old city of Winnipeg, then when it makes the decision, it can be arbitrary, it is unilateral, and no one can fight it except with the assistance of government. I'm wondering if the Minister really believes that it is not within his jurisdiction to attempt to investigate this kind of a complaint and attempt to resolve it.

MR. CHAIRMAN: The Honourable Minister.

MR. JORGENSON: Mr. Chairman, when my honourable friend says that I have the authority to investigate, he's perfectly right, and I will undertake to do just that, with particular reference to whether or not Winnipeg

Hydro has applied to Public Utilities Board for approval to levy such a charge. I will have the matter investigated.

MR. CHERNIACK: Mr. Chairman, I do appreciate the Minister's willingness to investigate it. I want to suggest to him further that although he wouldn't have the records before him, of course, it would be too much to expect, but to suggest that if, as, and when, Hydro did or will apply to the Utility Board for approval, that his role as Consumer Affairs Minister ought to include making sure that there is adequate consideration given before the Utility Board of the consumer interest. I don't know the extent to which — and I just ask the Minister — the extent to which he believes that his department should be involved in monitoring applications to the Utility Board on the question such as we raised rather than a question of rate setting. Rate setting, one can say, is the main job of the Utility Board and therefore can be left to them, although the Utility Board itself, I think, comes under this Minister — does it not? Yes — but especially on matters that are peripheral to the main application, whether the Minister accepts it as his responsibility to monitor and make representations if deemed necessary, before the Utility Board itself.

MR. JORGENSEN: I'm not sure that I would agree that it is my responsibility to make representations before the Utilities Board. We certainly, as I indicated earlier, will be looking into the matter and perhaps I can have further information for my honourable friend at a later date.

MR. CHERNIACK: Mr. Chairman, I'm not entering into debate, but I think when I said, not that it's necessary that he appear before the Utility Board, I think I said monitor what goes on before the board and if deemed advisable, to make representations before the Utility Board. I did not think this Minister has to appear there, but I think that in order to represent consumer interest when consumer interest itself is not being represented before the Utility Board, surely it is this department which should be presenting a point of view for consideration by the Utility Board.

MR. JORGENSEN: I hesitate to give a definitive answer on whether or not it is proper for my department to appear as a proponent before the Public Utilities Board, since it comes under my jurisdiction in the first place. I would have to give that matter some consideration before I would give a definitive reply to it. It seems to me that there is a bit of a conflict there.

MR. CHERNIACK: Mr. Chairman, I think the conflict may be more in the mind of the Minister than in the role he must play, because the role of the Public Utilities Board could come under any other Minister. The fact that it happens to have been assigned to this Minister does not make it improper for this Minister's department — I would never mean the Minister himself would appear — but I see nothing wrong with a Consumer Affairs Department appearing before the Utility Board, over which it has no authority, to represent the consumer. Because who else would represent the consumer if there is no organized group of consumers that are appearing?

I'm not going to push the matter except to point out to the Minister that I would appreciate his review of my suggestions and to decide whether or not it does not

indeed bear reconsideration, or at least consideration, since he has not been definitive.

I want to go back to what we were discussing last night in relation to the inspections under Food and Drug. The Minister was saying, just before we adjourned, something about inspections are going on. My impression is that inspections may be going on but prosecutions are not going on. Is that an incorrect statement at the present time?

MR. JORGENSEN: Mr. Chairman, there is a possibility of prosecutions under The Health Act and under The Combines Investigation . . . I wonder if I might read a memo that has just been given to me on this particular subject.

In Ottawa, a Task Force comprised of representatives of the federal departments of Agriculture, Health and Welfare, Consumer and Corporate Affairs, and Fisheries, has been established to study and report on the implications of the Supreme Court decision in the case of Regina versus John Labatt Limited. Presumably the Task Force will recommend such future legislative proposals that may be possible at the federal level to fill any void that is identified in their review. It may be that they will conclude that the void can only be filled by appropriate provincial legislative action. Consumer and Corporate Affairs Canada is continuing in the examination of meat samples. If, for instance, they find hamburger that contains other kinds of meat, charges of fraud and deception will be laid against the offender under The Combines Investigations Act. The sampling program is activated via citizen complaints, as well as being an ongoing activity. We are advised that the market monitoring by sampling indicates a continuing high degree of compliance with standards for hamburger by Manitoba retailers.

Perhaps my honourable friend would be interested in a further memo that I received in respect to the same subject, with perhaps a different angle:

The Manitoba Regional Health Protection Office of Health and Welfare Canada advises that the recent decision was related to compositional standards and accordingly their programs respecting health and safety are being delivered in the normal manner and no enforcement problems relative to health and safety are anticipated. The recent court decision is considered to relate mainly to federal Corporate and Consumer Affairs, who have the major responsibilities for compositional standards. The health and safety can be addressed separately. The Supreme Court decision is under review by the federal Department of Justice and action as necessary to clarify legislation and responsibilities will no doubt be recommended and undertaken. The Health Protection Branch has assured us that they will keep us posted on problems or potential problems during this interim period. With respect to the provincial program, the Environmental Management Division is continuing its program delivery responsibilities under The Public Health Act. There are no enforcement problems anticipated and the court ruling has not affected our current program. The Attorney-General's office is currently reviewing the Supreme Court decision to determine the effect or potential effect it could have on Manitoba. As this review progresses, the need to add, amend or clarify provincial legislation will be identified and the necessary action taken.

MR. CHERNIACK: Mr. Chairman, I have a reaction to what I have just heard and it's adverse. It is critical for several reasons. I must say firstly that I am not familiar with The Combines Investigation Act. I do not quite understand how that Act plays a role in . . .

MR. JORGENSEN: Misleading advertising.

MR. CHERNIACK: Oh, the Minister says misleading advertising. I am under the impression that the charges that were laid against — was it Safeway and I think Dominion Stores, of which I have the press clipping but no longer have it at hand — I had the impression that there are certain standards which are established which say that when hamburger meat is being advertised, it shall contain not more than a certain amount of fat, not more than a certain amount of other ingredients other than meat itself. Or that there is a difference related to the product, whether it be beef or pork or whatever.

I don't think that necessarily has to be adverse to health. It may not be misleading advertising if they don't say that We warrant that it is whatever the content should be. I don't accept what appears to me to be a report saying, well, it's being studied and when that study comes to fruition, we will bring legislation, or not bring in legislation, of a federal or a provincial nature. The report I read in the newspaper, with which the Minister must be very familiar, and which as I say I mislaid since last night, clarified for me the fact that the Crown Prosecutor said that because of the Supreme Court decision, he is not proceeding with those charges but finds it necessary to stay the charges because the Supreme Court said that these should be provincial legislation. The Minister, this Minister, is reported to have said, It may well be that we will have to pass legislation.

Now, as long as there is a void, and there appears to be a void, then that void can be filled even with a temporary measure. If people are being misled, being improperly used as consumers, then indeed there is a sense of urgency and it doesn't take very long and it shouldn't need too many conferences of a national or even international character to come to a conclusion and to proceed — now that's the only point I'm making. Those memos would justify a conclusion that there is no sense of priority that has been established, and the Minister doesn't know because this is a federal committee that's reviewing it. Mr. Chairman, we're all accustomed to seeing memos of that type which are intended to inform and at the same time soothe, and I don't want to suggest that there is a great crying emergency that people will be poisoned, that people will be, in any way, as seriously adversely affected. But why should we sit around and fiddle around when the Supreme Court has given an opinion, made a decision? Why can't we proceed with that by regulation, which I believe is all that's necessary? The Minister knows full well in his experience that regulations are made, regulations are rescinded, regulations are varied, but at least let not the suppliers to the consumer be under the impression, which I believe is a justified one, that they are immune of certain kinds of prosecutions. I think it is justified, because the Crown prosecutor actually stayed proceedings. So now they know, in this particular type of prosecution they are immune until government act. So I just urge the Minister that he set a deadline. How about that? Is that fair, Mr. Chairman?

Can we ask the Minister to tell us, that regardless of whether or not he gets an opinion from Ottawa or any other national group, that within one week, two weeks, one month, two months, he will act, because I believe there is nothing to prevent him from acting except his own conservative approach and careful approach. I'm not saying that in a critical way, because calling somebody conservative is not necessarily an insult, to ask him to set a deadline for himself or his staff, after which time he will proceed to follow the recommendation of the Supreme Court or the decision of the Court.

MR. CHAIRMAN: The Honourable Minister.

MR. JORGENSEN: Mr. Chairman, all I can add to what I've already said, that if it appears as though it is necessary for the provincial government to regulate in this area, we will regulate.

MR. CHAIRMAN: 2.(a) — the Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, that's what the Minister is quoted as having said early in March, and all I'm saying is, I believe him, but when, how long? Why should the public have to wait for the bureaucracy to work things out, because this Minister is not expected to and certainly will not of himself or nor will any of his colleagues in Cabinet form an opinion and act on their opinion. They will act on the opinion given to them by the bureaucrats, and it needs the Minister to prod them into saying, produce an opinion on which we can act. Therefore, I did ask the Minister whether he isn't prepared to indicate some sort of a time-frame within which he's going to act regardless of the time it may take for others, such as a national committee, to come up with conclusions.

MR. JORGENSEN: If I thought, Mr. Chairman, that there was a void that needed to be filled, we would certainly act. I see no urgency, in the light of the fact that the investigations are continuing, either by citizen complaints or as an ongoing activity. If charges have to be laid, they can be laid. In other words, I don't see the great void that my honourable friend does, and until such time as the matter has been clarified I think it would be precipitant on my part to undertake any action until we know precisely what is necessary.

MR. CHERNIACK: Mr. Chairman, the Minister said, If there is a void, and I don't see a void. I don't know where he was on March the 3rd, I think it was, where he's quoted as saying that there seems to be a problem which he will deal with.

MR. JORGENSEN: I said, We may have to legislate.

MR. CHERNIACK: May have to.

MR. JORGENSEN: That is still a possibility.

MR. CHERNIACK: But, Mr. Chairman . . .

MR. JORGENSEN: Until I find out, I will not know.

MR. CHERNIACK: Mr. Chairman, I understand the predicament of the Minister. Not only is he not a lawyer, but if he were a lawyer, he still wouldn't have the answers at his fingertips, and I wouldn't expect him to, and I would expect him to be cautious. I don't believe

that one legislation, just in the expectation that you may be right. But, Mr. Chairman, the void he does not see is a void which became apparent to me when I read a newspaper story saying that a Crown prosecutor stayed proceedings on the basis of a Supreme Court decision that a certain legislation was ultra vires of a federal government and was a provincial matter. It seems to me that if a prosecution is stayed, that would indicate that there is a void. Now the Minister doesn't see it, that's unfortunate. I had hoped that the least we would get from him is an undertaking with a deadline saying that unless I get a positive recommendation within a certain period of time I will act; that I haven't gotten that, then it's because the Minister does not perceive the void which I thought was visible and apparent from the newspaper report. I wish the Minister could just tell us what is wrong with that report and not say, well, the Combines Investigation Act or health regulations protect us. Is he saying that there is not a void? No, he's not, he is saying if there is a void, I will act, that I'm not sure there's a void. Mr. Chairman, it has now been what? — about six weeks since that occasion, maybe longer, and the Minister still doesn't know. It seems to me he ought to know, and I don't fault him, except for not prodding those who should be telling him and making sure that they give him an answer. The fault I suggest is in not making sure that the answers are forthcoming, and I'm sure they should be and could be much more readily if the Minister prodded them.

MR. CHAIRMAN: The Member for Wolseley.

MR. ROBERT G. WILSON: I represent an area that has a lot of rooming houses. I've had several letters on this question and I couldn't really give them the answer because I haven't been up to sort of current things. I wonder, in the area of — has there been any change or what is the government's policy of the law pertaining to damage deposits? Is the rooming house operator, the landlady, entitled to a damage deposit, and what percentage? If the rent is \$125 a month, can she demand first and last or the amount equal to one month's rent for the damage deposit?

MR. JORGENSEN: At the present time the amount is one-half the value of the rent.

MR. WILSON: So in the case of 150 a month rent, 75 could appear damage deposit.

MR. JORGENSEN: It would be 75, yes.

MR. WILSON: They also are complaining to me that they are dealing with a monopoly. They say that tenants, sometimes out of vengeance or whatever, will turn on the water and walk away, and unless the landlady or landlord is a very prudent manager of their properties they come back to, not only a damage situation, but a fact that they are the owner of premises, is sometimes stuck for the water bill if the City of Winnipeg Waterworks can't collect that from the tenant. I wonder, is there any thought to any protection, that it would seem to me, if somebody is doing business with an individual, i.e., a tenant, why is it that — is this across the land or is it a phenomena to Winnipeg or is it similar in other provinces — the landlord or the owner of the property becomes the co-signer, so to speak, of this

particular customer of the waterworks? I wondered if I've got my information correct?

MR. JORGENSEN: I'm not sure whether I understand the question of my honourable friend. Is he talking about separate water bills in rooming houses, or is he talking about a tenant turning on the water in a rooming house, for which there is a common water supply.

MR. WILSON: No, I am talking about, it has been suggested to me, that a particular house is taken over by a family who are tenants; they run up a water bill and leave town and the owner of the premises then has that water bill added to his tax bill or whatever; or an attempt is made to make the landlord pay for the tenant. I am just wondering what the law in Manitoba is at present.

MR. JORGENSEN: Mr. Chairman, I now understand what my honourable friend is saying. This has been a problem over the years and the Landlord and Tenant Act at the present time are carrying on discussions with the city of Winnipeg to determine if there is a possibility that we can continue to monitor the bills in these various places to ensure that the water bills are being paid regularly. That way the landlords will be given a better idea of whether or not a tenant is in arrears of his payments on his water bill. I think it is a mutual arrangement that can be worked out to ensure the landlords that there are not undue water bills being accumulated without his knowledge.

MR. WILSON: Just while I've got the floor I'll go into another subject. Under the Food and Drug Investigation I was asked by a letter from a lady about concern for our, I guess you'd call them our little canine friends. Some of the large department stores seem to have taken the opportunity of inflation to put pet foods out of sight as far as price concern goes, to the extent where one particular product has jumped from a 1.09 a box to 1.63 and this is an increase of over 50 percent and I realize that price controls I guess are something that the federal government deals with. Do they still have the department that monitors rises in food products . . .

MR. JORGENSEN: Food and Price Review Board? No, that has been discontinued.

MR. WILSON: What area would be that if, for instance, we'll take Safeway who has a large warehouse and they . . . what I'm suggesting is, if they have 300 cases of a product sitting in a corner and they increase that product by 20 cents overnight, who monitors that. It reminds me of the story of the gas companies when the gas was increasing that somebody made the gas companies give the consumers back. I'm just bringing the concern of this constituent who is suggesting that in the area of pet foods there is an unbelievable warehousing and situation where these things are being — in other words, 20 cents is being added to old stock. What I'm saying is, like the gas companies where would this person go with that concern that they may be getting bilked by these major food chain stores and having the prices increased 20 cents or in the case of tinned pet foods, seven to ten cents overnight from old stock. There's nothing wrong with that? That's not breaking the law?

MR. JORGENSEN: No, there is no violation of the law, I would suggest that the customer who finds himself in that position his best recourse is to go to the store manager.

MR. WILSON: That's fine.

MR. DEPUTY CHAIRMAN: The Member for Kildonan.

MR. FOX: Mr. Chairman, I was just going to determine from the Minister who is responsible in respect to additives and other items that are placed into processed foods, specifically meats like sausages and other luncheon meats that are processed. They have a number of fillers as well as a number of other additives. Are there any standards on who determines those?

MR. JORGENSEN: Those are determined by the federal department.

MR. FOX: In respect to water content, is that also federal department or is there no standard on that?

MR. JORGENSEN: I would think that would be included as a part of the . . . I'm sorry, I misinformed my honourable friend. It's a co-operative effort between the federal government and the provincial government to determine water standards.

MR. FOX: Does that include frozen foods too?

MR. JORGENSEN: Pardon?

MR. FOX: Does that include frozen foods as well?

MR. JORGENSEN: No, I think it is only water standards that are a joint responsibility of the federal and provincial governments. That is the one that comes under both governments.

MR. FOX: Yes, Mr. Chairman. The reason I am asking this question is because I note that there are many processed foods which can have a large water content and you are paying for water and not paying for the food that is being advertised. Now, that's not necessarily false advertising if there is no standards as to what percentage of water can be added. For instance, bacons and hams are one of the processed foods that will have a large water content; the other one is also your frozen foods. You will get various kinds of frozen foods but you will also get quite a quantity of ice and I would just like to know from the Minister, if it is a joint effort, what effort is being done to monitor that the customer, the consumer, is not being ripped off by paying for water when he is supposed to be getting meat or vegetables.

MR. JORGENSEN: I am going to have to take that question as notice because I believe that there is further involvement perhaps with the Department of Agriculture. I wonder if I could provide that answer to my honourable friend at a later point.

MR. FOX: Yes, if I am not my colleague will probably take it or it will be in Hansard. But, I believe, that there is a need for greater monitoring in this particular area because with today's processing and then rapid packaging and rapid freezing it is very easily done to include an extra amount of water and the customer then is not

getting a true product; he is paying for a lot of water which is a lot cheaper than the vegetables or the hams or bacons which are advertised in the package. This has become apparent because I have had a number of constituents of mine indicate to me that if the package sits for a week or so the water then comes out and it is at the bottom of your package and that is how it becomes apparent; and the same thing in respect to frozen foods. Your vegetables and so on when you thaw them out you find out that all of a sudden their bulk is about half of what it was when it was in the frozen state.

MR. JORGENSEN: Yes, we'll certainly have that looked into.

MR. DEPUTY CHAIRMAN: The Member for River Heights.

MR. FILMON: Mr. Chairman, I had wanted to speak on that issue about the water bills but the Minister clarified that it's a municipal bylaw that governs, and his department is looking into some of the unfairness in the situation, so I have nothing further to say.

MR. CHAIRMAN: The Member for Logan.

MR. WILLIAM JENKINS: Thank you, Mr. Chairman. Just before we leave this item, I would like to ask the Minister if he could give us an indication of how many complaints the department has received during the past year and how many the department has successfully settled, and give us a breakdown of the category of what the disputes and complaints were about. Also, I would like to ask the Minister, since we got back on to the meat program that we were discussing yesterday, the Minister has stated yesterday and has reiterated it today that charges could be laid under The Federal Combines and Investigation Act, if there is a continuation of this, pending legislation coming. Is it the intent of his department then to lay charges under The Federal Combines and Investigation Act because if meat is being sold with contents of other meats that are not supposed to be in the meat, especially in hamburger, then charges could be laid under this section. Also, he stated that charges could be laid under The Public Health Act and I want to know from him at this time if The Public Health Act that he is referring to is provincial legislation or is it federal legislation. The inspections that took place last year were — and I think there was quite a bit of newspaper publicity given to and names of stores given that had high bacterial counts especially, I believe, in ground hamburger — were these investigations and the subsequent naming of stores — I know there was quite a considerable number; I don't have the press clipping with me — were they made by the provincial health authorities or were they made by the federal ones?

MR. JORGENSEN: I am advised that the complaints that were originally made were made by one of the daily newspapers and, as a result of those charges, the federal authorities did step in and conducted their investigations and it was on that basis that the federal authorities conducted their investigations in this particular matter.

MR. JENKINS: That was the ones with the high bacteria count last year; that was the result of newspaper complaints that the federal Department of Public Health did the investigation and the Minister said that there were subsequent charges laid under The Food and Drug Act.

MR. JORGENSEN: I am advised that we're not sure who laid the charge but I presume it was the authority of The Food and Drug Act who had the regulatory responsibility in this particular area at that time.

MR. JENKINS: What inspections are made in Manitoba under The Public Health Act by the Department of Health? Do they . . . ?

MR. JORGENSEN: Largely bacterial content.

MR. JENKINS: That's for bacterial content.

MR. JORGENSEN: I might want to answer that question that was asked originally before we lose sight of it with respect to the number of complaints that the department has received and the total number of complaints that has been received by the department last year was 1,828 and they are broken down into a variety of categories. My honourable friend, if he cares to wait until the report is published, those figures will be available in the report.

MR. JENKINS: That brings me to another question I have. I'm sorry to interrupt the Minister but just checking the reports that the Minister is required by legislation to table in the House, I see that he has tabled . . .

MR. JORGENSEN: No, we're not required to table that report but we do.

MR. JENKINS: No, no, that's not one of them, but it brings to mind that there are two, I believe, that I have noted that have been tabled and I checked yesterday in the Clerk's Office; there is no notice of them as a sessional paper. The Minister may correct me . . .

MR. JORGENSEN: Only if there is a report.

MR. JENKINS: The Greater Winnipeg Gas Distribution Act and The Insurance Act; is the Minister anticipating that these will be tabled shortly in the House?

MR. JORGENSEN: Both of those are nil reports so there is no tabling.

MR. JENKINS: Thank you, Mr. Chairman. The Minister stated that he will be tabling a report that he's not compelled to by legislation.

MR. JORGENSEN: It will be released; the report will be released and I am sure that my honourable friend will want a copy of it.

MR. JENKINS: Yes, and that would be outlining the progress of the department, more or less like other departmental reports, or just what nature is it, if I could just get an idea from the Minister. I'm looking forward to receiving a copy of that when he does . . .

MR. JORGENSEN: If my honourable friend wishes, I can make an extra copy of this activity summary, the table of statistics, and have that available for my honourable friend if he would like to have it now.

MR. JENKINS: Yes, that would be . . . I would appreciate that very much from the Minister.

Last evening, I believe it was last evening or late in the afternoon, there was some discussion with travel agencies and the Minister had stated that he was co-operating closely with the province of Saskatchewan at the present time prior to bringing any legislation in. What I wanted to ask the Minister is if his department has or is considering making an announcement, much in the same lines as what he said yesterday that people should investigate very thoroughly, and I think it should not — because we're operating right now as the buyer beware — and I think that the Minister also stated that in the insulation field or the installation of insulation that the department made available, I don't know whether it was booklets prepared by the Greater Winnipeg construction industry, was it, I believe, if the Minister would consider at least warning the public that there is a responsibility on their behalf to make sure that they are dealing with very reputable firms, especially in the travel agency I am not saying that there are disreputable firms out there, but I think that in view of the fact that we have no legislation covering this type of thing at the present time, I think it would be incumbent upon the department to make sure that the public is aware that there are chances that if they get themselves involved that they can lose a considerable amount of money. I know that we haven't had that many; we have been very fortunate here in Manitoba. But I think of the case last year where someone who had been saving up for a holiday for quite a considerable time and really had, I guess, their dreams of a holiday just go down the drain. It is unfortunate that if that person would have had the proper information in the first place, and I realize that people have to . . . We can pass legislation until doomsday and it's not going to protect people, in many cases, unless they want to protect themselves and I guess that's perhaps the best way. But if they are not aware of some of the pitfalls that may face them out there in the marketplace, then I think since there is no legislation here in Manitoba or, from what the Minister says, in western Canada, in the three prairie provinces, I think when the Minister is putting out his bulletins — and I see that he is also the Minister in charge of Information Services — that through the press, he can make these pitfalls that may await the unwary buyer out there aware of what they should be doing to protect themselves. I hope that the Minister would take that seriously under consideration.

MR. JORGENSEN: I appreciate my honourable friend's comments and I can assure him that it's a suggestion that we will consider very seriously.

MR. JENKINS: The other question: With the pamphlet that the Minister, I think he said he was going to make one available with the installation of . . .

MR. JORGENSEN: I have it here and there's one here for Mr. Walding about a question that he asked yesterday.

MR. JENKINS: That was dealing with installation. Was that for the do-it-yourselfer, or was it for those who are having . . .

MR. JORGENSEN: No, for the general public.

MR. JENKINS: For the general public, fine. I have no further questions under this item.

MR. CHAIRMAN: 2.(a)(1)—pass; 2.(a)(2)—pass — the Member for Logan.

MR. JENKINS: I wonder if the Minister could give us a brief breakdown of what Other Expenditures there are and why there is a fairly substantial increase in this item from last year.

MR. JORGENSEN: There is 15,000 that is intended to accommodate anticipated increased costs of telephone services, particularly long-distance charges, plus phone services for a new research analyst and consumer communications officer, and anticipated general price increases in most other areas. The other 12,000 is a non-recurring funding requirement for revision of audio-visual material and film series concerning The Consumer Protection Act.

MR. CHAIRMAN: 2.(a)(3)—pass — the Member for Burrows.

MR. BEN HANUSCHAK: To whom are these grants payable?

MR. JORGENSEN: The Consumers Association.

MR. HANUSCHAK: That's the only one.

MR. JORGENSEN: That's the one grant, yes.

MR. CHAIRMAN: 2.(b)(1)—pass — the Member for Fort Rouge.

MRS. WESTBURY: Thank you, I hope this is the right section now. Mr. Chairman, through you to the Minister, on the 31st of March I asked the Minister a question about his alleged statement to the effect that the government will assist tenants needing assistance outside of those eligible for SAFER, and in reply, the Minister said, I first of all, Mr. Speaker, tell my honourable friend that I made no such statement, that the press quoted me as having made that statement, and made it in error.

I was wondering if the Minister would tell us just what he did say, or did this all come out of thin air. Did he make any statement at that time to the effect that tenants outside of the SAFER Program would be receiving assistance? Does he remember the occasion?

MR. JORGENSEN: Yes, I do remember the occasion. The question that was asked was whether or not we were going to be phasing out the Rent Stabilization Board and rent controls. I indicated that it was our intention to follow the procedure that had been laid down in 1978 with respect to the phasing out of the Rent Control Program. The question was then asked what would happen as a consequence of the phasing out of that program. My response was simply that if we felt, if we deemed that it was necessary to help certain groups of people in society who may not be able to

meet the rents, then they should be helped by society as a whole, rather than that responsibility falling on the shoulders of one group of people, in this case the landlords. In other words, if assistance is to be provided to a particular group of people, and I single out as an example — and I hope my honourable does not now use that as a statement of policy; I am just using it as an example — if, as an example, the single parent families, it was deemed necessary to assist them with rents, then they could be included in an expanded SAFER Program. That was the context in which I made the statement and it's one that I have no hesitation in making.

I want to emphasize to my honourable friend that any such policy, any such decision is a government one and not mine to make. It will have to be a Cabinet decision and the matter has not been raised at this point.

MRS. WESTBURY: Mr. Chairman, I would like to say that if any decision was made by government to expand the SAFER Program to cover all of those who are in the greatest need, of course they could depend on my support.

I further asked the Minister what kind of study was being undertaken to ascertain the level of increases in rent as controls are lifted, and he replied: As my honourable friend may be aware, we have been monitoring rent increases both inside the city, those that have been released from controls, and outside the city, which have been free from controls since October, 1978.

I wonder if the Minister is going to be able to release any figures to the committee or to the House showing us the results of that monitoring that has been taking place, and has there been any increase in appeals to the Rent Stabilization Board.

MR. JORGENSEN: Yes, Mr. Chairman, I hope I will be in a position to make a release of that nature in due course. I cannot tell my honourable friend just precisely when that will take place, but I hope to be able to have the figures analyzed and make a comprehensive report just as soon as it is possible.

MRS. WESTBURY: We will be looking forward to that, Mr. Chairman.

I would like to draw your attention to an ad that was placed in the newspapers by the Manitoba Rent Stabilization Board last year, specifying what increases could be imposed on rents which were remaining under the Rent Restraint Program, and they went between 4 1/2 and 5 1/2 percent from October, 1979 to September, 1980, and some of the rent increases we are hearing about are very much in excess of that now that the restraints are off.

There was an indication in November to the effect that the province would consider allowing landlords to double security deposits that tenants are now required to pay. Is the Minister proposing anything further on that? There seem to have been two announcements made at that time, amendments to The Landlord and Tenant Act, which would allow Cabinet to change . . . No, that's a different one, I'm sorry. The first one was the double security deposits the tenants now pay.

MR. CHAIRMAN: 2.(b)(2) . . .

MRS. WESTBURY: I'm sorry, I didn't hear the answer.

MR. JORGENSEN: I'm not sure that I got the question.

MRS. WESTBURY: Is there any intention on the Minister's part or the government's part of allowing landlords to double the amount of security deposits that tenants must pay?

MR. JORGENSEN: It is one of the matters that has been brought to our attention. It is under consideration but I am unable at this time to say whether or not it will be included as a part of the amendments.

MRS. WESTBURY: The Homeowners Against Rising Mortgages are lobbying for a moratorium on mortgage foreclosures. Is the government giving any consideration to this matter at the present time?

MR. JORGENSEN: I'm afraid my honourable friend is going to have to relate that question to her friends in Ottawa, because I believe that they would have the responsibility for legislating in this particular area.

MRS. WESTBURY: Mortgage foreclosures?

MR. JORGENSEN: No, not mortgage foreclosures.

MRS. WESTBURY: I'm not talking about the mortgage interest.

MR. JORGENSEN: I believe that the Premier made a statement in the House on that particular subject a few weeks ago and I have nothing further to add on that.

MRS. WESTBURY: I noticed that in Massachusetts tenants have permission to cut down on their rent payments if their house or apartment loses an essential service such as heat or water. Is there any provision in The Landlord and Tenant Act, or any other legislation, allowing a tenant that sort of leeway, or is there any intention of the Minister or any department of government to look at this as an alternative available to the tenants of Manitoba?

MR. JORGENSEN: Under our legislation, the tenant would normally complain to the Rentalsman and the Rentalsman would have the authority to deal with that particular matter.

MRS. WESTBURY: I see, so it doesn't require further legislation, it's already . . . Thank you, very much.

MR. CHAIRMAN: The Member for Logan.

MR. JENKINS: Thank you, Mr. Chairman. The Minister has stated that, as of June 30, the rent controls will disappear here in the city of Winnipeg. I just want to draw to the Minister's attention that in the Tribune of March 7, the Minister of Finance, and I'll read the article here. It says: The province is monitoring the apartment rental market and may consider an extension of rent controls which officially end in June, Finance Minister Don Craik said Tuesday. Good competition in the market promises the best method at this time for keeping rents down but the government is watching to see if current high mortgage rates cause a shift in rental markets, Mr. Craik said in the Legislature in response to questioning.

That seemed to intimate at that time that the government . . .

MR. JORGENSEN: If I may, Mr. Chairman, I believe that as soon as the Hansard was available after that statement was made and the report appeared in the press. I drew it to the Minister of Finance's attention because I was listening to what he said and I was sure that is not what he said, and as a consequence of reading over the Hansard, he did rise in his place in the House and correct the press statement to the effect that he hadn't made that kind of a comment; he had not really.

MR. JENKINS: I thank the Minister for that correction, but there is no doubt that when these rent controls come off at the end of June there is going to be quite a rise in the cost of rents here in Manitoba. I have a copy of a letter that was sent here to the Premier - I don't know if the Minister has one. It was from the Manitoba Society of Seniors here in Winnipeg addressed to Mr. Lyon: The members of the Winnipeg division of the Manitoba Society of Seniors are greatly alarmed at the reports appearing in the Winnipeg newspapers that rent controls on apartments will be lifted next June 30th. As you are aware, most of these apartments are occupied by retired senior citizens on fixed incomes who will suffer much hardship from these increased rents, and he attaches a copy of a newspaper report that appeared on June 28, 1978, of the Winnipeg Free Press in which the president of the Manitoba Landlord Association urged landlords to apply for rent increases which were under the rent controls, two to three times higher than 5 to 6 percent being allowed by the provincial government.

This is an indication of what will happen when and if rent controls are discontinued. Incidentally, this statement suggests that there may be collusion amongst landlords to agree on rent increase which we believe is contrary to The Restraint of Trade Act. This may be a federal legislation but since it concerns rents which are under provincial jurisdiction it would be a matter of concern to you. The landlords claim that there is a high vacancy rate in the apartments. This may be so in the case of high rent apartments which are no longer under rent control and in which senior citizens cannot afford and are above 25 percent of the income category which guidelines suggest should not be exceeded.

Your Minister of Consumer Affairs, Mr. Warner Jorgenson, stated that competition in the marketplace will be the best control on rents. We question this statement in view of the attitude of the Manitoba landlords as stated in the third paragraph of this letter. The fact that will affect the vacancy rate in apartments is the increase in mortgage interest rates forcing many families to move into apartments. The society feels that the vacancy rates are greatly exaggerated and would be willing to co-operate with the provincial government in conducting a survey of apartments to ascertain the true vacancy rate.

You will note from newspaper reports, a copy of which is included, that the province of British Columbia is not only continuing rent controls but is even conducting stricter enforcement of the law. We would appreciate knowing the true intention of the Manitoba government regarding rent control rather than getting the information from the newspapers. We would therefore suggest a personal meeting with our Issues Committee

before any change is made in The Rent Control Act. As you know, the week of June 15 to 21 has been declared Senior Citizens Week. An early reply to our concerns would be appreciated.

I want to ask the Minister, in view of the fact that a request was made from the Society of Seniors, whether the Minister has met with this group or the First Minister, or whether he was aware that this letter had come into the First Minister.

MR. JORGENSEN: Yes, I do. The letter has been forwarded on to us by the Premier and we are in the process of forming an analysis of it but there are three points I want to make in connection with the contents of that letter and the statement made by my honourable friend.

First of all, I am sure he is aware that senior citizens are . . .

MR. JENKINS: I'm aware of the SAFER Program.

MR. JORGENSEN: . . . eligible for the SAFER Program. Secondly, the rent increases, both under The Landlord and Tenant Act and The Rent Stabilization Act, can only occur once in every twelve months and if current leases hold an expiry date up to the end of September no rent increases can take place until that time. So they will not be, as my honourable friend or the letter may suggest, an upward revision of rents come the first of July.

The third point that I think we should make is in connection with the mortgage interest rates. As my honourable friend is probably aware, rent controls or not, even under the Rent Control Program if mortgage rates increase it is possible for a landlord to include that as a legitimate cost and have it passed through; so they would still be increased to that extent. I note that in other provinces where that has taken place, where increases have taken place, that has been included as a legitimate cost in adjusting rents.

So there are safeguards that are contained within the provisions of The Landlord and Tenant Act and, notwithstanding anything that the president of the Landlords Association may say, he, as well as members of his association, are bound by provisions of that particular Act.

MR. JENKINS: The Minister, I think, has stated that the best control of rents is the marketplace itself. What has the department done to ascertain the vacancy rates that are available in the city of Winnipeg and does he anticipate meeting with this group and take up their offer — the offer was made by the Society of Seniors — that they would be willing to co-operate with the provincial government in conducting a survey, to ascertain the true vacancy rate.

MR. JORGENSEN: I have no hesitation to meet with that group or any other particular group, Mr. Chairman. If they want to contact my office and make arrangements for a meeting, I would be happy to do so.

MR. JENKINS: Has the department itself — and who are they getting their figures from; are they getting them from CMHC, are they getting them from the Manitoba Landlords Association? — has the department itself done a survey of vacancy rates, what their price ranges are? I imagine the higher categories that the vacancy

rate would be higher than it will be in the lower categories but can the Minister tell the committee just where are they getting their figures from. Are they figures that have been passed on to them by someone else or have they made any survey of the vacancy rates that exist within the various categories of rents within the province of Manitoba and especially the city of Winnipeg since this is the last place where rent controls will be coming off?

MR. JORGENSEN: CMHC is the source of information that we tend to look to in the main. However, there have been other surveys that have been conducted in various areas and I might say that it's one of those problems that is extremely difficult to pin down accurately. There are vacancy rates in certain types of accommodation that are higher than others in certain areas and then they go to another area and that will change again so it's a difficult thing to actually pin down with some degree of accuracy; but we rely considerably on Central Mortgage and Housing Corporation for the figures that we have.

MR. JENKINS: Then I would understand from the Minister's answer that there is no anticipation of the department itself doing a survey at the present time, prior to the expiry of the rent controls, to try and ascertain what the true vacancy rate is within the city of Winnipeg. We hear figures banded around of 5 to 7 percent vacancy rates and that may be true in one area; but as the Minister said, some of these apartment blocks are no longer being mortgaged under CMHC so the vacancy rates for these apartments would not show up in the figures that CMHC releases. Just how does the Minister and his department ascertain a block that is say, 35 to 40 years old. It's no longer perhaps being financed under The Central Mortgage and Housing Act; maybe financed somewhere else under some other, or it may be a totally-owned apartment by a landlord. Just how do we get the vacancy figures that are banded about in the newspapers. Really the department here, the Rent Stabilization Board, having to work with someone else's figures because the figures that the Minister has given us or says how they are ascertained are not figures that have been determined by this department; they are figures that have been determined by someone else. Just how accurate are those figures and that is I think the nub of the question that has been asked by the Society for Seniors; that the department itself conduct a survey to find out. Maybe the Minister will find out, if he did conduct a survey, that the figures that have been circulated are quite different and I hope that the Minister and his department would seriously consider doing a survey of rental vacancies in the city of Winnipeg. Also the city of Brandon I guess is another one that's coming off at the same time and other urban areas — I believe that is correct. Is that correct?

MR. JORGENSEN: There are only two.

MR. JENKINS: Winnipeg and Brandon.

MR. JORGENSEN: Only Winnipeg and Brandon that are under controls right now and have been for some time.

MR. JENKINS: I would anticipate that the Minister and his department should be making an effort to find out that if the figures that they are being given by the various groups of people that are supplying this information into the department, that they are accurate so that we don't find out two or three months down the road that there is a shortage of apartments in the lower price category for those who are on lower incomes and not able to, with today's high mortgages, they're caught in a hell of a bind. They can't even move out of the apartments because of the high mortgage interest rates. They are really in a real bind, and I think that the Minister and the department should have been, long before the cutting off, and we all realize that sooner or later rent controls are going to have to come off. I guess the best way to set the fair rates in the marketplace is to make sure that there is sufficient accommodation but if the Minister has to rely on someone else's figures to make the decision — I'm not saying that the Minister made it in isolation by himself, he made it in concert with the other members of the Treasury bench and his caucus — but I think it behooves the Minister and his department to make sure that the figures that they are going to operate on and the premise there is sufficient rental vacancies out there, that they establish with certainty in their own minds that those figures are accurate and I would ask the Minister to comment.

MR. JORGENSON: Mr. Chairman, as my honourable friend I am sure is aware, as a matter of fact I think I indicated in this committee — I am sure it was last night — that we had been monitoring those units that have been decontrolled. As my honourable friend is aware, since October of 1978, there have been progressively . . . decontrolled from time to time. We have been monitoring those units to determine just what has been happening. There will be a report compiled and I indicated, I believe it was last night, that I would endeavour to make that report available to my honourable friends as soon as it is prepared. I think the report itself will indicate very much the kind of information my honourable friend is now seeking. It is intended to give us some insight as to what we may anticipate when the controls are actually removed and what we must do in order to ensure that there is an orderly return to the free market. I hope that report can be made available at the earliest opportunity.

MR. JENKINS: That really doesn't answer the question that I put to the Minister. The question that I put to the Minister was: What criteria did the department itself ascertain on the vacancy rates; the criteria that the decision was made on were figures that were supplied to the department by other agencies, not by the department itself. I welcome the thought that the Minister has thrown out and I gather from his answer that they intend to monitor for some time after the controls come off, to make sure, to ascertain that we don't get a gouging by landlords of the tenants. The question that I asked the Minister was: Prior to making the decision — I know it was a political decision, it was one of the things that they announced early in their tenure as government, that they were going to get rid of the rent controls. Unfortunately, the rent controls came in as the side effect of wage and price controls, and I think the Minister knows what my thoughts were of the wage and price controls. I only supported

rent controls because of the fact that we got caught in that kind of a situation in the first place.

Given the fact that these things did come to pass and now people have had some time to operate on this, people have formed, well, various groups of people who are lobbying very actively for the continuation of rent controls. I think before a government makes a decision to get out of this field, that it should have had at its own fingertips, its own figures to ascertain exactly. I know that they have done some monitoring of apartments where the original tenant went out and the new one came in, to monitor that the prices didn't go up. Well, if I was a landlord, I could say too, I was going to make damn good and sure that the government was going to get out of business. I'm going to make sure that I'm not going to muddy the waters. I'm going to make sure that my rents are stable.

But once June 30th comes, unless the Minister is intimating that if price gouging takes place, does he then intend to reintroduce rent controls? Supposing the worst of all situations comes about, that we find that people who are in the rental agencies really start socking it to the tenants. All the Minister can do at the present time, once the controls disappear, is monitor. We find six months go by and the Minister says, well, they can only do it once a year, but a lot of rental contracts will expire after June 30th. They don't all start on January 1st or prior to June 30th. Many people move in the spring and many people move early in the fall. September 1st is a great moving day, that's when people move from one apartment to the other. So those who will be renewing on the September 1st deadline will certainly be at the mercy of the landlords. If gouging takes place and the Minister's department is monitoring, then I put the question to the Minister, what does he intend to do then, to say that the marketplace is looking after these people? The Act, as far as rent controls are concerned, will be gone and will be faced next year with a piece of legislation to reintroduce rent controls?

MR. JORGENSON: Perhaps I should intervene at this point and remind my honourable friend that perhaps he is unaware of the necessity to continue to have some mechanism whereby there is an orderly phasing-out of the Rent Control Program even after the June 30th deadline, because there is a possibility that a lot of landlords may still be behind in compliance orders and things like that. They will remain until all of those matters are cleared up.

So that becomes then a question of what kind of mechanism will be introduced in order to take care of that particular situation. I can tell my honourable friend now that there will be some amendments to The Landlord and Tenant Act that is intended to deal with that particular situation. It will be, if you will, for perhaps lack of a better term, a substitute for what currently exists in the Rent Stabilization Board. It will be necessary to carry on certain functions until the program has been phased out completely and it cannot be phased out just because June 30 arrives. I leave that thought with my honourable friend and perhaps during the time that those amendments are being considered, he could have further comment on it. I think that I can't go any further than that, other than to advise him that it is our intention to deal with that particular situation that he seems to have some concern about, and I share that concern.

MR. JENKINS: I thank the Minister for that information. I realize that the Minister can't tell us what his legislation is, I mean, that's a no-no. We do that in the House; we don't do it here in committee.

From what the Minister is saying, then I am getting the picture that what we are going to have is sort of a semi-control during this phase-out period because, as the Minister has stated, some people will still be partially under the control because of the fact that the lease has not come up. They are faced with utility costs and other taxation costs and I quite realize that these are fastened costs that they are allowed to have. Will this be the new function of the Rent Stabilization Board, to sit and monitor the new rents and leases that become available.

MR. JORGENSEN: My honourable friend is just attempting to do precisely what I feared he might do, and that is to provoke a first debate on this subject and then have a second one when the bill is introduced. May I suggest that he wait until the bill is introduced.

MR. CHAIRMAN: The Member for Dauphin.

MR. JIM GALBRAITH: Thank you, Mr. Chairman. The Dauphin area has been taken off rent stabilization for quite some time now and, just for the benefit of the members opposite and the Member for Logan, I would like to make a few comments on rent control. I can say this much, that since rent controls have been done away with in Dauphin, rents certainly haven't kept pace with the rate of inflation. And I'll say another thing, that when rent controls were on, that they seemed to have a tendency to kill the private sector; they didn't want to go into house building, apartment building. It has been my experience in Dauphin that the supply will remain adequate if we don't have any controls. Just to give an example of what's going on in the town of Dauphin, a home that would be worth in the neighbourhood of 50,000 at the present time, can be rented for approximately 300 per month and if you take and figure that out, that's not a very good return for your investment.

Just for some concerns of members opposite, when rent controls went off in Dauphin, to my knowledge there were very little, if any, inconveniences created

SUPPLY — HEALTH

MR. CHAIRMAN, Abe Kovnats (Radisson): This committee will come to order. I would direct the honourable members' attention to Page 59 of the Main Estimates, Department of Health, Resolution No. 76, Clause 2.(f) Community Health Centres—pass — the Honourable Member for Transcona.

MR. WILSON PARASIUK: Mr. Chairperson, I would like to ask the Minister if he has included in the commitments to the community health centres sufficient funds to enable them to equalize salaries and benefits with those paid to people performing comparable tasks in other health facilities paid for by the Health Services Commission and by Medicare.

MR. SPEAKER: The Honourable Minister.

HON. L.R. (Bud) SHERMAN (Fort Garry): Yes, Mr. Chairman, there is a nine percent budgetary increase provision in these estimates and that certainly is suf-

because rents went up drastically afterwards. They have been very moderate. If they went up too much, all someone had to do was give notice and move.

MR. CHAIRMAN: The Member for Elmwood, if the Member for Dauphin is finished. The Member for Elmwood.

MR. DOERN: Mr. Chairman, I have a number of points but I'll just take a couple of shorter ones since we are running out of time.

Was a request made already to explain the figures between 1980 and 1981 in terms of your change from 428,000 to 159,000, and 155,000 to 35,000.00. That's simply the phasing out of the whole program?

MR. JORGENSEN: That's right.

MR. DOERN: I wanted to ask the member about a case that has been pending for some time. Is it the Rent Review Board or Rent Stabilization Board — Edison Rentals has had some problems with rent controls and I think the matter has been hung up in the courts, or hung up before the department for the past year and a half. I wonder if the department isn't showing some laxity in pressing that case. Why hasn't this matter been brought to a conclusion?

MR. JORGENSEN: If my honourable friend would rush down to the courts, he could hear the tail part of it because it is being heard today.

MR. DOERN: I see, it is being heard today. What was the problem between the initial hearings or initial debate and the fact that it is only in front of the courts now, after all that period of time?

MR. JORGENSEN: Briefly, it was just a question of getting a court date that was acceptable. It had initially been scheduled to be heard, but because of some technical non-compliance, it had to be delayed and it wasn't until today that a date could be set.

MR. CHAIRMAN: The hour being 4:30, I am leaving the Chair for Private Members' Hour and will return at 8:00 p.m.

efficient to meet normal budgetary and salary increase pressures at the health centres.

MR. PARASIUK: I would like to differ with the Minister in that regard. Since the community health centres have started off from a smaller base than established health centres, they in fact have a number of employees who are not being paid comparable salaries and benefits to those paid to people working in hospitals — I refer specifically to pensions. If the Minister does not feel these institutions should be providing pension payments for employees at a place like Klinik, then I think he should say so, but he should not get up and leave the impression that these institutions do in fact have sufficient financial resources to provide for the same type of salaries and benefits as those paid to individuals providing comparable services in the established health institutions in Manitoba.

MR. SHERMAN: Mr. Chairman, we don't run the health centres. As the honourable member knows the boards of the health centres run them, the boards negotiate with their employees, make the salary arrange-

ments with their employees. If they wind up in a particular budgetary position reflecting difficulty, reflecting deficits, those situations and positions are negotiated with the Health Services Commission, the same as is done in the case of hospitals but there is ample provision in this budget, on the basis of their staffing and their patterns of practice and their operations, to accommodate that staff and accommodate what reasonable budgetary and salary increases the community health centres themselves would deem desirable. If the boards of the health centres want to go beyond that and make wage contracts or wage settlements with their employees that exceed what is certainly accommodated in the budget and what is certainly the norm in other health facilities and the rest of the health spectrum, that's their problem. I presume then if they came to the Health Services Commission with a deficit that could not be justified and that obviously developed from having exceeded the normal wage parameters, they would be counselled in manners available to them to get inside their budget which might include the elimination of certain staff positions at the community health centres. That should not be necessary provided they maintain normal budgetary operations and normal budgetary and salary increases. Again I remind the honourable member that's a matter between the boards of the health centres and their staffs and it's not a matter that's negotiated by my department.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. SAUL A. MILLER: Mr. Chairman, I'm not sure, perhaps yesterday you might have, but I don't see any note here that I made, has the Minister indicated what the breakdown is on this amount as compared to last year, the health centres and the funding that will be available this year?

MR. SHERMAN: No, I don't believe I had, Mr. Chairman. The amount budgeted for the community health centres last year, the print was 1,268,500.00. To that, Mr. Chairman, should be added 199,500; and this year's budget is 1,579,700.00. The Honourable Member for Seven Oaks asked me whether that was all spent; as far as I know it was. If we reconciled those budgets, yes, it was all spent.

MR. MILLER: Do you have a breakdown?

MR. SHERMAN: Yes, I have a breakdown, you mean a centre by centre breakdown? 1979-80, I'll give you 1979-80 and 1980-81 respectively. Mount Carmel, 419,000, 468,300; the Klinik, 182,100, 222,400; Health Action Centre, 64,100, 73,800; Churchill Health Centre, 377,100, 312,100; Hamiota, 52,600, 59,200; Lac du Bonnet, 110,400, 116,800; Leaf Rapids, 142,300, 149,900; Seven Regions, 143,200, 150,200; and Vita District Health Centre, 23,900, 27,000. These figures, of course, represent the funding for outreach services, as the honourable member knows, that the Manitoba Health Services Commission funds the medical services at the centres on a fee-for-service basis.

MR. MILLER: Mr. Chairman, it was the last statement by the Minister that I'm interested in. I gather from what he says that what has happened in the last year, last year-and-a-half, is that the concept, the idea, that doc-

tors might choose to work under an alternative arrangement, than the traditional fee-for-service, has now been altered. The figures read here were the outreach program, the various other programs, that these health centres operated but that the medical component is dealt with through the Commission on the very traditional fee-for-service basis. Mr. Chairman, that concerns me; surely the government should have been willing to continue to explore the new ways of delivering a service, rather than the traditional fee-for-service concept. If there are doctors who are prepared to work on a sessional basis or an annual fee or on a monthly salary or what have you, surely they should be encouraged rather than discouraged, because that's what's happening now. So that in places like these various clinics where doctors were prepared to sign on and work as part of a team at a salary or at a sessional rate, now that cannot be done. They have to, therefore, operate in a very traditional way on a procedure-procedure basis. I think it limits the effectiveness of the clinic; I think it limits us in trying to break away from the very traditional pattern that has been going on for decades; and I think it's obvious that if we're going to change the entire health system delivery structure that we have to move towards making it possible. I'm not saying it has to be done by an edict or a law or putting everyone on a salary, but surely we have to be encouraging medical people who are interested in working in a different milieu and under different circumstances to provide their services as part of a team where they can. Their highly skilled and expert services are simply provided to a health clinic without the need or the desire or the necessity of using the traditional production line, piece-work basis, which is typical of our fee-for-service basis now. Now everything is on a piece-work basis; the doctor does something, he takes somebody's high blood pressure and that's a procedure. There's an initial contact, the initial visit, any prescribing, any examinations, all that is paid for through the Health Services Commission. It's acknowledged everywhere that we have to try to get away from that very limiting kind of delivery and yet here in Manitoba, this Minister and this government seem to be so locked in to going back, really, to a far more traditional system, to the point where the Kellogg Foundation offered to come into Manitoba and they are in. I say thanks to the Manitoba Health Organization rather than to the Minister, who I think was quoted in the press as saying that this government is not in favour of altering the traditional concept of the delivery of health, and that the idea of having district health systems or community health systems is not the direction that this government wants to go. I think it is a very narrow point of view. I think it is going to lock us into the old system for too long a time. I think generally there is movement across the continent, certainly in other parts of Canada where there is an urging to depart from the traditional fee-for-service and move to experimenting and trying new ones. Without that kind of experimentation, without that kind of analysis of what the results might be, then I think we play into the hands of those who simply want to continue as we have for the last couple of decades, even longer.

Certainly, with the introduction of Medicare, there is a possibility to change the system itself to make it more responsive, to utilize the expertise of a doctor in a different way than is being utilized now, and to move from a curative system to one of a preventative system, to

one of treating the individual not just because he is medically ill but because he may have other problems which lead to medical illness. I think it is very narrow and it is not going to, in my opinion, help the health system in any way, but it does, I can see now, the split in the department, which is another step again towards more traditional delivery and this insistence that anything a doctor does in the health centre has to be through filing for or claiming from the Health Service Commission, the possibility of working on the basis of salary is obviated.

I am wondering whether the Minister is intent on carrying on this way or whether he is prepared to say, well, if a doctor is prepared to work in a health centre on other than fee-for-service, I want to know why is the Minister so intent on refusing him that right. I know that there are certain elements within the MMA which I think agree heartily with the Minister, but I don't think the MMA should determine policies for the province of Manitoba and therefore I would like to hear from the Minister why he is intent on rolling the clock back and preventing new and innovative ideas from coming into being?

MR. SHERMAN: Mr. Chairman, the Honourable Member for Seven Oaks raises a good point and I want to modify the statement that I have made because the statement that I made, I took directly from my House book and in fact it does not represent the total or even the precise situation with respect to medical services relative to Community Health Centres. I want to apologize to the committee for that comment. I think it is in error and I am going to have it checked out.

We have not altered the funding policy on Community Health Centres where medical services are concerned. All those that fall into the Type 3 category of Community Health Centres are, with perhaps one or two individual categorical exceptions, centres that employ doctors on salary. The medical costs of that centre are paid for by the Manitoba Health Services Commission in a form that provides for the funding of the medical services, including the doctor's salary. Now there are some instances where some doctors come in and work in some of those health centres on their own time. Some of them work in those health centres from time to time and probably don't charge anything. Others come in and work from time to time and probably charge for the procedure or procedures that they perform. But in the main, the medical services provided in Type 3 Health Centres, are provided through salaried positions. In Type 1, which I know the honourable member is familiar with, the health centre does not have a doctor on salary, so fee-for-service is paid in those instances. The point he makes is correct and the statement that I made, by itself is incorrect. The funding policy on medical services has not been changed and for the most part represents payments to physicians on salary.

MR. MILLER: I am pleased to get that clarification and correction. I recognize that it is possible to make mistakes in trying to follow one's House book and I'm pleased that in fact there hasn't been a change in policy. In other words, the government is still prepared to go along with health centres or community clinics where a doctor is prepared to and is willing to work on a salaried basis or on a sessional basis, and they are not forcing a change from that policy. I am pleased to hear that and I am hopeful that this kind of delivery will spread and that the government will not hinder that

spread, that more and more, and certainly in the United States this is happening, the recognition that the medical doctor is simply one person in the delivery of health and that the expertise of the paraprofessionals, the nurse, nurse practitioner and the technicians, that they be used fully so that the doctor can really spend most of his or her time on the things which that doctor is highly trained to do and those procedures which require less specialization and less of the highly-skilled or the high training that is required, can be done by paraprofessionals quite adequately. In doing that, the probability is that people will get better service, that the doctor will not be as harassed and not be under the pressure and can really concentrate on doing his thing in a much easier way, with less pressure and without having to feel that everything is dependent only upon him.

Mr. Chairman, I am pleased to hear this statement by the Minister. I hope that there will not be any change, and I gather from what he says that we can certainly depend that there is not to be any change this year, that they will continue to fund the Type 3, that he refers to, in whatever manner the board of the Health Centre desires. If they come along and say, well, our doctor is prepared to work on salary and we want to put him on salary and the Health Services Commission says such and such a salary seems reasonable, that they will fund him on a salary basis. If that's the case, as I say I'm pleased to hear that, and I'm hoping that the Minister who, I know, his first reaction to the Kellogg Foundation was somewhat negative although he has subsequently gone along with it, that the comments which the press attributed to him, the philosophy which he seemed to espouse at that time when questioned by the press is not going to inhibit him from nonetheless recognizing that there are other elements and there are other points of view and that his job as Minister is to make it possible for all points of view to be heard and all innovative, experimental, new ideas, not only to be heard but in fact to be tried.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. ARNOLD BROWN: Thank you, Mr. Chairman. I wonder if the Minister would be able to give us a comparison of cost-per-patient care in a community clinic such as Klinik, specifically, and Mount Carmel, as compared to the cost per patient in a private clinic, such as the Winnipeg Clinic. You can get some idea.

MR. SHERMAN: Mr. Chairman, we did have some evidence and documentation on that point that emanated from a study that was done by our departmental research people approximately a year ago running from last spring into last summer on this precise subject. That documentation showed that the costs of the type described or referred to by the Honourable Member for Rhineland were less and were significantly lower in conventional health facilities than they were in community health centres. However, I have not been satisfied that the results of that survey that were undertaken at the time are definitive and conclusive for the very reasons that I suggested to the Honourable Member for Transcona last night, that it's a very complex subject and we're not through our examinations yet. I can obtain those figures for the Honourable Member for Rhineland, I don't have them in front of me but I recall

that survey did show that the cost per patient on purely medical service grounds was demonstrated in that review to be higher in community health centres than in the more conventional delivery facilities.

While I'm on my feet, I'd just like to comment briefly on the Kellogg Foundation project and the comments that I may have made about the Kellogg Foundation project. I just want to assure the Honourable Member for Seven Oaks that what we are concerned with is that we don't simply get ourselves into another experiment in health care delivery that is no different in detail or in actuality than some of the forms of delivery that we have in existence in the province at the present time. What we were hoping for was a project that would evaluate one, two, or more of the delivery systems that we have in place at the present time, including the Type 3 community health centre. Seven Regions or Hamiota would be perfect examples and personnel in those two regions of the province have said to me, as recently as last week when I happened to be in that area on government business, that they would have liked to have seen the Kellogg project based there to evaluate the effectiveness of their delivery system rather than embarking on what we fear, and our fears may not be founded, but what we fear will be just another duplication of systems that are in place and have not been compared and have not been evaluated. That was our concern; I must say, Sir, that I still have that concern, however, we have agreed to go along with the Kellogg project.

MR. CHAIRMAN: The Honourable Member for Transcona.

MR. PARASIUK: Mr. Chairperson, I'm brought to my feet by the questions and answers to the questions by the Honourable Member for Rhineland. I don't believe the Minister ever provided satisfactory documentation of that evaluation. The preliminary results that he tabled last year when Health Centres were being discussed, it was I think sometime in March or possibly a bit later, I'd have to point out to members in the Legislature that the Manitoba Health Organization completely did an evaluation of the evaluation, saying that it wasn't comparing apples to apples and oranges to oranges. There were some very serious criticisms of those evaluations by experts in the field and I think it was for that reason that the Minister, in a sense, withdrew the studies. I find it rather strange that he will get up a year later and start quoting, that it was cheaper here and cheaper there when, in fact, if he wants to let him table the studies and point out conclusively what the case is, but he can't.

I'd like to ask him if his department ever got hold of the studies, the evaluations, by the Health Ministry in Ontario of the Sioux Ste. Marie District Group Health Association and the Glazier Medical Centre in Oshawa. The studies were done in 1975 and it said, When the operations of the two group centres were compared with those of solo practitioners in the same communities, the study found that the groups consistently admitted fewer patients to hospital and for shorter stays than did the individual practitioners. The estimated saving in hospital days and costs was 20 percent.

I think it's important to look at some alternatives like this. You know, we're talking about Health Department estimates of something in the order of 584 million and if you look at that amount that is allocated to prevention

within this entire estimates' allocation, it would be less than 1 percent. So that when people get up and they start talking about society's attitude towards prevention, I think it's important for the government to put its money where its mouth is in this respect. I don't expect preventative allocations to equal those of treatment allocations but, at the same time, I think we've been taking a rhetorical approach to prevention. We've been talking about it because it's nice to talk about it, but we've never, in fact, been willing to look at ways and means in which prevention actually may be practiced. I think there is a very definite bias amongst the medical establishment against preventative practice. I think the case involving Owen Schwartz and the College of Physicians and Surgeons is only one example of that type of bias. I know that the Minister has tried to keep clear of this area, because he doesn't want to rock the boat with the medical establishment, but yet those people who have, in fact, been patients and are patients of Dr. Schwartz are very informed, intelligent patients who have a very good idea of what's involved in keeping themselves healthy. They are far more informed, far more intelligent about their condition than most patients who go to solo practitioners who are just treated as assembly-line patients. That's why I asked the Minister when these Estimates were introduced if he, in fact, had any position to take with respect to the whole concept of capitation payments. Capitation payments are tried in some community health centres in Ontario; capitation payments have been tried with the Kaiser Permanente Health Institute in California which is a private institute. I'm wondering if the Minister has done any work, has the staff done any work in that respect? Is capitation an alternative that should be looked at?

The Minister introduced his estimates by saying, well, the Hall Commission was here earlier this year and that it was looking into health care delivery. One of the things that the Hall Commission was looking at very carefully was alternatives to what we have right now and they were asking questions about alternatives, and the Hall Commission was very impressed with home care as an alternative. I can recall when home care was developed into a practical program in Manitoba and the medical establishment wasn't too excited about it at that time. It took some leadership on the part of the government to develop that program and to make it operational and it has been copied by other provinces and it's good alternative in terms of the traditional system of delivery, because the traditional system of solo practitioners as it developed involves very little home care, it involves people waiting around in doctors' offices. I say to the Minister that he has a good opportunity right now to look at alternatives — capitation — to look at alternatives with respect to para-professionals.

The reason why we tend to focus on community health centres is that it is one area that provides this type of flexibility. Undoubtedly, there are other areas in the estimates but they are usually only a part of another appropriation and we find that consistently the Minister takes a very negative attitude to change. That's understandable, I guess, given the nature of conservatism, but at the same time I say that the Minister has to start looking at the supply side of medical and health care as well as the demand side. We've spent about 10 years now concentrating most of our efforts in insuring that people do have access to medical care, regardless of

their ability to pay, and I think that was the critical step that had to be taken in the early development.

I think it is important, however, for society and for government to explore alternative ways and means of providing health care. This is one means — I think that the Ontario experience is quite good; I think experiences elsewhere are good; and the Minister doesn't want to give health centres a fair chance. I think this was shown yesterday when in a sense he just ducked the whole issue of government commitment to Mount Carmel Clinic. He said it's part of their future plans, but he can't be definite as to when Mount Carmel Clinic may indeed get a commitment of funding to proceed with their capital facility which is desperately needed; he knows it is desperately needed.

He has refused a very small request, or the Manitoba Health Services Commission has refused a very small request from Klinik for 9,200 worth of capital renovations. I think that Klinik is performing a very useful function. When we turn the page and start asking questions about communicable diseases, social diseases, I think the Minister is going to have to acknowledge that the Klinik is playing a very critical role in that area; that our outreach program in that respect is very poor to date; that the health centres have in fact performed outreach programs of immunization; they have in fact shown some leadership with respect to prevention; and yet we find that at every turn this government does not provide any support to community health centres and that is tragic.

Beyond that I would like to ask the Minister specifically if any of the health centres came forward to the Health Services Commission with documented evidence showing that their staff do not have the equivalent salaries and benefits, especially benefits, that staff in other hospital facilities have, would the Health Services Commission at least undertake to examine the documentation to see if they have a valid case or not?

MR. SHERMAN: Certainly, Mr. Chairman, I'm sure the Health Services Commission would undertake to examine the documentation. To my knowledge no such approach has been made. I may be incorrect on that but to my knowledge no such approach has been and I can assure the honourable member that the documentation would certainly be examined.

I do not accept for one moment the suggestion of the Honourable Member for Transcona that out of a Health Budget of 584 million that some one percent or less than one percent, or about one percent, I think it was he said, is all that is devoted to preventive medicine. That is simply not true, Mr. Chairman.

The operations of the Department of Health and the Manitoba Health Services Commission are in substantial, part operations that are geared to repair medicine, that's true, because our society obviously has medical ailments and ills that need to be repaired and the whole thrust towards preventive medicine and better lifestyles and responsibility for taking care of one's own health, where it is socio-economically possible, is a long and relatively non-glamorous attitudinal campaign. One makes progress very slowly in that area but one keeps trying. To suggest that it is a repair-oriented system to the extent of 99 percent, which is what the honourable member suggests when he says only one percent goes for preventive medicine, is simply wild exaggeration and totally untrue.

There are major components of our budget and our program commitments that are prevention oriented; the whole division of community health; the community head directorate division; the whole field of home care and residential care and adult day care; the individual programs that have been introduced and will be introduced on the program side of the Manitoba Health Services Commission this year. We have 1.9 million in our budget for new programs. The virtual entire department of community services, not counting income security, but in the program operation field in community services, which is very closely linked with health, is to a very significant degree prevention oriented. It would take some time to sit down and isolate the specific dollars, but I have no hesitation in saying simply by a cursory review of what's in front of me in print and what's in front of the Honourable Member for Transcona in print, that a substantial and significant portion of these 585 million and the total of 642 million that is going for health, plus the several hundreds of millions of dollars in community services, the total is 201.5 million in community services, are geared to prevention. The whole health education field, the whole effort at early identification, at identifying congenital anomalies, for example; home economics; programs even including family planning and family life education; the field of alcoholism and the efforts to prevent alcohol abuse and overuse of alcohol, which is part of the health department's responsibility, are geared to prevention. We can't stop doing repairs, making repairs through our hospital and Medicare systems, but I reject out of hand the suggestion that there is an inadequate, or a less than adequate, and an insensitive effort and emphasis and expenditure being made on preventive medicine.

MR. PARASIUK: Yes, if you take a close look at the statistics for the Department of Health and if you listen to what the Minister has said over about three days, you'll find that there is that lack of commitment. Last night he specifically said that the government didn't have, has done nothing with respect to family planning over about the last three years. He said they were taking a very low-key approach; they didn't know how to develop a policy on this after three years.

If you look at some of the general categories that he throws out very quickly; health education 212,000; nutrition 343,000.00. If you start adding up the specifics there, you'll find that they really don't amount to more than 5 million. The whole community health directorate, which includes public health nursing services, psychiatric services and things like that, amounts to 6.9 million. If we want to look, when we get to areas like the alcoholism foundation, to determine what's being done on a preventative basis and if we want to ask specifically, when we get into it, what this government is doing with respect to its own employees, for example, we find that nothing is being done and that is a problem.

It is a very difficult problem of prioritizing, because obviously the need for treatment, the desire for treatment, is acute; it's immediate, but I think for far too long we've tended to reinforce the system that is completely treatment oriented, and that's why, if you notice, the Minister ducked the whole question of capitation payments. If you read the literature by professionals in the field, just about everyone puts up the concept of capitation payments as an alternative, and yet the Minister studiously avoided it. Just about every professional in the

field, who has an overview of health care, puts forward the concept of community health centres. Just about every professional puts forward the concept of linking medical services very closely with social services. Yet in practice, in community health centres, the government has withdrawn its social service staff.

Rhetoric is one thing, but reality is another; and can the Minister confirm that social service staff have been withdrawn from the health action centre? Can he confirm that provincial staff have been withdrawn from Nor'West Co-op? If that's the case, why? Why not link medical services more closely with social services; why not? Even if you want to go into the private clinic approach, why not have a better counselling service in the Winnipeg Clinic? Most patients who go to a place like the Winnipeg Clinic feel totally confused; they think that they're in some type of Byzantine maze.

We don't have a good system of prevention through our public health system. If you ask people right now, when is the last time they had their polio vaccine, they wouldn't know. Is there not some system that can be developed, whereby people can be informed that they should update vaccinations, immunizations, that checkups should be done? Yet there is confusion about checkups, whether in fact, we should have full-scale checkups or not; there is that type of debate within the medical establishment. We don't have any public vehicle. At least a few years back we used to say, well, you should be getting T.B. checks every once in a while; now we probably decided we don't need it. I wonder whether, in fact, the population of Winnipeg, for example, should be getting polio vaccines; should they be taking the oral vaccine or not? If so, does the government have any responsibility in ensuring that happens? Those are certain preventative tasks that could be done. Could there be some type of counselling in some of these large clinics, which do have a lot of people coming to them? Usually what has happened, is that they're referred by a G.P. to one specialist, and the specialist says, go somewhere else, and most people end up getting lost and confused, and spending a lot of time in waiting rooms.

My colleague, the Member for Seven Oaks, points out that surely there must be some system devised whereby para-professionals can deal with patients with respect to a certain type of counselling, a certain type of medical check, and certain types of medical treatment. Or does everything have to, in a sense, take place in the doctor's office, which is run as a business; and that's a problem? Those are alternatives that surely should be explored and could be explored but every time they are raised, are dismissed out of hand by the government. I think it reflects a very definite difference in approach, not only between us on this side of the House and the members on the opposite side of the House, but frankly between this government and a number of other governments in Canada.

As I said, I point out that Ontario has been far more progressive with respect to community health centres than the Conservative government in Manitoba. I would hope that they might try and learn from some of Ontario's experiences with respect to community health centres.

MR. SHERMAN: Mr. Chairman, the Honourable Member for Transcona speaks from a particular perspective and I appreciate his perspective. It is one that is highly critical, if not hypercritical, of the conventional

health care delivery system; highly critical, if not hypercritical, of the position occupied by the medical profession in our society. I don't fault him for raising issues and for tilting at those challenges, but I think he goes to the extreme in the position that he takes, which suggests, by implication, very clearly suggests by implication, that he would throw out the entire existing system of health care delivery, both in terms of the conventional form of facility and the approach that is taken to, by and with the classic and historic medical profession and the approach of that profession to health care. —(Interjection)— Honourable member opposite take exception to that, but I suggest that if you will listen carefully to the questions raised by the Honourable Member for Transcona, not only here in committee, but his comments regularly and continually on health care, whether it is taking an extreme position in the case as, for example, Dr. Owen Schwartz, about which, I assure him, he is uninformed — or he may not be uninformed, but if he is informed, he takes a deliberately confrontatory position to the responsibilities of the College of Physicians and Surgeons and the medical profession, and the Ministry of Health, to protect the standards of health care delivery and professionalism in this province.

The comments that he makes both inside and outside the Chamber, I suggest, reflect a hostility to the conventional system of delivery. I don't fault him for that; that's fine. I don't agree with that, but I suggest he goes to an extreme when he expresses such opinions, and that carried to their logical conclusion, the result would be a complete overturning of the system of health care delivery that is in place at the present time.

I don't dispute that there can be improvements and innovations made. He may not be aware that my office, just as the office of Ministers of Health who preceded me, works as diligently as possible with advisers, with consultants, with consumers, with persons who are in or exposed to the health care system, to try to produce better ways of getting at our problems and of meeting our health care challenges. The effort is unrelenting and unstinting and occasionally one experiences the gratification of finding a workable solution to a problem. It is an ongoing thing and if he and I are here 100 years from now, through some amazing medical discovery, we will still be urging each other, depending on our relative responsibilities, to pursue better ways of delivering health care. That exercise goes on among my staff, among the Health Service Commission staff and among the public on whom we call, through various consultative committees and through agencies and commissions that are in place, through new bodies that have been put in place like the Council on Aging and the Standing Committee on Medical Manpower, precisely to get at these problems and attempt to find solutions to them. Solutions, unfortunately, are not discoverable overnight but some are discoverable and some are being discovered.

The honourable member says that he looks at the entire community health directorate and it amounts to 6.9 million. A minor point, that's last year's figure; this year's figure is 7.5 million, but that is the directorate; that is where the program conceptions are developed, where the approach is conceptualized and put in place. That is not the delivery of those programs. The delivery through the Regional Field Service delivery system, through Community Services, is a major function of this government, as it was of the previous government. In

fact, sir, if you look at the field delivery of programs in what I call essentially preventive health programs, such as Home Care, Community Mental Health and Mental Retardation, and Rehabilitation services, you are looking at many millions of dollars. In the home care field alone it's 8.6 million this year. That is the delivery of that service to individual people and his reference bears no relationship to the actual expenditure, it simply relates to the administrative and developmental end of the programs themselves.

The honourable member suggests that I ducked the issue of capitation payments. I didn't duck the issue of the capitation payments, I have attempted to jot down most questions that have been asked of me, and perhaps I missed one or two, but there certainly was no intention to duck the issue of capitation payments. I am familiar with the arguments and I suggest perhaps nearly as familiar with them as he is, but when he suggests that all health experts, every health expert you want to consult, advocates, supports and endorses capitation payments; advocates, supports and endorses the community health centre concept, again I say he is engaging in hyperbole and exaggeration. Perhaps the papers, the writers, the commentators that he consults, all endorse those methods of delivery and of funding, but certainly that does not represent either the field in its totality or even the mainstream of current conventional North American thinking. There is an argument to be made for capitation provided you can apply it in an area where it can be applied responsibly and definitively, but in areas where you have overlapping services, where you have centres and facilities and delivery systems that overlap and deal with one, two, three, and four and more situations and problems entertained by and relating to the same individual, it's very hard to apply capitation payments with any kind of definitive responsibility.

We have got that situation of potential overlap, if not real overlap, when we are looking at community health centres in a particular area of a particular urban centre like the city of Winnipeg, and the Member for Transcona when he talks about rhetoric should consider his own. To glibly advocate capitation as a means of applying funding parameters to community health centres in Winnipeg, completely ignores the fact that we are dealing with individuals who are served by different forms of delivery in addition to community health centres, may indeed be served by one or more community health centres in their own persons, and who certainly have access to and through our public health services are served by methods of health care delivery that potentially duplicate some of the services they are getting from community health centres. If you take an isolated area and apply capitation, then it's measurable, and I would think that this would be one worthwhile exercise of a project like the Kellogg Foundation project. This was the kind of thing we were trying to suggest to MHO should be undertaken with Kellogg, that they would look at some of these specific applications or suggestions including capitation, including delivery in a given region where there was no duplication, and measure the results and give us some answers rather than just going in and doing the same thing over again.

The Member for Transcona asks, can there not be more counselling or are there not alternatives that could be dealt with rather than being dismissed out of hand by the government? Alternatives are not dismissed out of

hand by the government. The government takes into very serious consideration, and I invite from him whatever suggestions he cares to make, alternatives to health care delivery, in every category of the field. Not all of them are applicable, not all of them are fundable, not all of them are acceptable, but they are certainly all being looked at and all being considered, and the best, I think, are being implemented and integrated into a system that is already committed, unfortunately already committed to a substantial degree in financial terms, to the treatment responsibility and the repair responsibility that we both acknowledge is out there and can't be turned around over night.

Certainly there can be more counselling. There can be more of everything, but I think we all agree in this House that we proceed to do what we can, the best we can, as quickly we can, and that counselling is in itself not necessarily the answer to all the challenges that confront us as a Legislature in the health care field. There is additional support for reinforcement of our counselling thrust across the entire public health spectrum in any event. Through the field service delivery personnel, such as public health nurses, counselling surely, Sir, and certainly, Sir, is one of the primary functions of their role. To just load more counsellors into offices or into administrative positions is not the answer, I suggest, to any of our problems. But the approach that our public health nursing staff and our field staff generally, and our home economics staff generally, take to acquainting people with the realities of health and health care, does provide us with some of the answers and we are pursuing that.

In the final analysis though it comes down to the individual, the Member for Transcona, and me, and everybody else, insofar as we are capable of it. I admit some people are not in a position to be able to do much about their own health, but insofar as a great many of us are concerned, we are capable of doing something about it, and I think we have to continue with that thrust and that emphasis that we all assume responsibility in that area.

I might say, Sir, that on that point I acknowledge that I haven't stopped smoking, I have however though got my weight under control.

MR. CHAIRMAN: The Honourable Member for Transcona.

MR. PARASIUKE: Yes, I have the opposite confession, I have stopped smoking but my weight isn't under control.

Talk about tilting at windmills and trying to create straw men, we've just had about 20 minutes of the Minister doing that. If one puts forward an idea, the Minister tries to take that and says, this is what you are trying to impose in place of the existing system, and in fact he starts talking about revolution. I thought he might of, in fact, been getting some of his lines fed to him by his colleague sitting to his left.

That's not what we are proposing at all. We are proposing the development of a system of health care delivery that, in fact, looks at alternatives, encourages some of them, because we've had a history to date where most of the emphasis has been on the demand side. Most of it has been on the side of insuring that people will have access to health care regardless of their ability to pay. I said that was the first priority and generally we are getting there. I think it's broken down

in some other provinces. There may be some instances here in Manitoba where a person's access to health care is determined by where they live and to a degree by their income, if you look at certain types of care, but a basic level of care generally is provided to people regardless of their ability to pay.

There have been strains on society and strains on government as a result of that in financial terms, and the Minister likes to get up and say, we can't spend money for ever, we can't do things like the community health, we can't do things like Mount Carmel Clinic, because the hospitals need the money. Last year he used to get up and say, we can't spend money on staff because we should use volunteers. Well, that's not a bad idea using volunteers. I would like to point out to him that Clinic has 25 staff members and about 150 volunteers; fairly impressive ratio, and yet I can't understand why the Minister wouldn't be prepared to consider 9,200 of capital improvements.

We're encouraging some diversity, some flexibility in our health delivery system, and if the Minister is trying to equate that with revolution or an overturning of the existing system, he's wrong, and if he says that I am exaggerating and he tries to take that position, then he is completely exaggerating. He is trying to establish straw men to divert attention from the fact that we aren't doing as well as we should in the area of prevention. It's just not we, it's North America as a society generally. That's why when you point these things out to the Minister, he doesn't have any idea of how his prevention budget breaks down, which I would have thought would have been something that his community health directorate or his health planning group would have in fact looked at. How are we moving in this respect? Are there other gaps that we should be filling? What are they? What are the gaps with respect to nutrition? Do we still have junk food being sold in schools? Sure. Do we have situations where people don't know whether they should be immunized or not? Sure. Do we have any good system of family planning counselling in Manitoba? No. Do we have any good system of counselling with respect to alcoholism, especially with younger people? I'd suggest that we don't. Do we have much in the way of counselling with respect to drugs, with respect to glue? I notice that we had to get a citizen group, coming together, pressuring the city, pressuring the government, to do something about glue sniffing.

What do we have taking place in Shamattawa with respect to lead poisoning because kids are sniffing gasoline there?

MR. SHERMAN: It is much improved.

MR. PARASIUK: I'm glad it's much improved. The Minister says, it's much improved. I think you have to get some people in there explaining what the dangers of that are. I think a lot of people didn't know what the dangers of gasoline sniffing were.

MR. SHERMAN: They've got a new chief.

MR. PARASIUK: That's part of it. I don't think the solution is getting a new chief. Maybe the new chief had some idea of what was involved and what the dangers were from gasoline sniffing. Does the government and does society have any role to play in this respect, in terms of informing people of what the dangers are,

try to provide alternatives to those types of situations which lead people to glue sniffing, because we do have an epidemic in downtown Winnipeg amongst our younger children with that. It's not an easy problem to solve, those aren't easy problems to solve, and no one will attack the Minister because he hasn't solved those problems. They will attack the Minister if he doesn't take any action to solve the problems or if he doesn't acknowledge that those types of problems exist.

No one will attack the Minister if he undertakes some experimentation, but they will attack the Minister if he continually has a closed mind, and that is the difference - I think there is a difference in approach between ourselves and the government with respect to health care, I think it shows, I think that the health care system that has been developed in Manitoba from 1969 to 1977 was creative, was expansionary, was activist, and was deemed to be probably the best in Canada. I think we slipped back since that time because of a closed-mindedness.

There was no revolution in health care between 1969 and 1977, but there was a constant improvement and an attempt to look at things like home care seriously, look at their specific application, generalize from that and provide a general program throughout the province if something like home care worked. That's a specific case and a specific example. Pharmacare was another. Again, somewhat pathbreaking because the government was willing to show some leadership in this respect without overturning the status quo, rather embellishing that which exists so that you have a more flexible, varied system of health care, and one that was a lot better.

MR. CHAIRMAN: (f)—pass; Clause 2.—pass; Resolution No. 76—pass. Resolved that there be Granted to Her Majesty a sum not exceeding 25,601,700 for Health, Operational and Support Services 25,601,700—pass.

Resolution No. 77, Clause 3. Community Health Directorate (a) Medical Public Health Services, Item (1) Salaries—pass - the Honourable Member for Transcona.

MR. PARASIUK: Yes, this is the directorate which I assume does the health care planning for the province. Is that correct?

MR. SHERMAN: That's correct, Mr. Chairman.

MR. PARASIUK: If in fact it is doing the health care planning, can the Minister indicate what this directorate sees as being the biggest gaps in health care in Manitoba, and what types of policy and programs it's developing to ensure that those gaps are filled?

MR. SHERMAN: This directorate doesn't do all the health care planning for Manitoba by any means, Mr. Chairman, but it does develop the concepts and the plans in the fields that are specified in the print on Pages 60 and 61 of the estimates book. There are other planning bodies, both within my office and attached to my office, and attached to the Health Services Commission, that deal with formulation of plans and concepts for other areas and categories of health care. Insofar as the primary gaps in the system are concerned, I can say that one of the major existing gaps is being filled or plugged to a significant and successful degree, I think, and that is in the area of immunization.

We have completed the computerization of our immunization monitoring program, pilot project, which was announced last year and which had funds requested for it in last year's estimates, and the pilot areas that are in existence and operating now are urban in one case through a St. Boniface district office and rural in another case, or rural-urban in another case, through a Brandon district office. The test areas are St. Boniface community and the city of Brandon, and this we see as a major step forward to reinforcement of our immunization capability and to advancing on the broad front against epidemiological disease and infection throughout the Manitoba community as a whole. The computerization makes that a much more practical and attainable objective than has been the case in the past, and I think all Manitobans can take some satisfaction in that advance.

We have a major challenge in the area of venereal disease that requires continual reinforcement and continual renewal of effort, although some advances have been made there on that epidemic, too, through community education programs, community awareness programs, and through co-operation with the city of Winnipeg in the follow-up and tracing of VD contacts. I think that probably in the overall, looking at the spectrum listed in the estimates on these two pages for the community health directorate, that I would have to respond to the Honourable Member for Transcona by saying, the biggest gaps in the service lie in one area of continuing care services, and that is the need for extended care facilities, and in the psychiatric services field. There is no question, and I have made no bones about it since I have been Minister, that we need psychiatric beds, we are bringing some on stream, and I am pleased that tomorrow at noon we will be opening an emergency psychiatric unit at the Health Sciences Centre which has been long needed, which is made possible by co-operation from a number of persons and bodies, not the least of them being the Alcoholism Foundation of Manitoba, who co-operated very effectively and certainly very creatively to help make this possible.

We have additional psychiatric beds and facilities coming on stream, but we need more. There is a challenge of significant proportions to us in the area of psychiatric services and mental health. Those, I would say, are the primary needs and challenges in the system, or gaps in the system, if the member likes. The extended care challenge is not entirely one that can be defined in terms of extended care beds or facilities, although that is part of the problem, but the big challenge really is in addressing the changing demographics of the population and the fact that we will, 40 years from now, have twice as many Manitobans over the age of 65 in our population, as is the case today, and we have to adjust and accommodate our institutions, our lifestyles, our attitudes, and our services to provide them with the shelter and the comforts and the opportunities and the involvement in life that I'm sure all of us wish for both them and for ourselves, who, given the fortune of reasonable good health, will reach that chapter of our lives on our own parts.

So there is a major challenge there, not only to provide the health care and the facilities, whether they be extended care beds or services on an adult day care or outreach or home care basis, but to provide the ingredients of life and participation and involvement in life, and the protection through income and pensions, and

the other necessary and deserved support systems, that that changing, growing component of our population will require.

We are addressing that in its rudimentary, early form at the moment, through the newly created Manitoba Council on Aging, from which body we expect some creative proposals, recommendations, and initiatives, that will embrace the whole spectrum of life for persons age 65 and over, not merely health care, and it will also address the need to broaden and expand public awareness and understanding of the aging process, so that all of us, of whatever age, and particularly those of us over age 30, are made aware, in advance, of the ramifications of the aging process and the ramifications of age and of old age, and of what we need to do to prepare ourselves for it in the same way as society, through government, needs to prepare our institutions for it.

Those, I would say, are the primary gaps, Mr. Chairman. That's not to suggest for one second that the system and the spectrum in other respects is complete, but if I'm asked to identify the major challenges at the moment, those are they.

MR. PARASIUK: I thank the Minister for that. I was not trying to throw that out as a trick question. In fact, generally I agree with those areas that he put forward, especially when we start talking about the special needs of an aging population.

I would add one other category, though, and that's accessibility to health care geographically. I don't know if there is equal accessibility to health care between urban Manitobans, rural Manitobans and northern Manitobans. And I think that's a difficult but continuing problem that has to be tackled, I think through alternatives.

But I would like to focus in for a few minutes on the special needs of an aging population. This is not a phenomenon that Manitoba is experiencing alone, but it would appear that possibly the situation is being somewhat accentuated in Manitoba. I gather that the Manitoba Health Organization has a report which indicates that 10.7 percent of Manitoba's population is over 65 and that there has been a 15.1 percent increase in people over 65 between 1973 and the fiscal year ended 1979. That is a fairly dramatic shift, and if you then start taking into account the fact that we do start hitting the baby boom, which will accentuate this further in terms of the demands that the baby boom starts placing on a health care system, especially males first and females later, then I think we have to make some fairly substantial changes and some fairly substantial investments.

We have, on this side, been critical of the government's freeze on personal care homes. We don't say that personal care homes are the be-all and end-all, or are the only answer, but we do know and we can predict that more personal care homes will be needed. That is a common sense, realistic fact of life. So to freeze personal care homes, in our estimation, was a mistake, and any type of one year catch-up program won't catch up at all. That is one particular area where we agree with the government in terms of general intent, we recognize that there is a special need, special demands placed on the health care system because of an aging population, but we are critical of the freeze that took place in the construction of personal care homes. We are critical that the freeze, in fact, has not been in prac-

tice lifted, that more personal care homes aren't indeed being built as such. They're being announced, but they're not being built. We can't understand why there would be this hesitancy to build personal care homes, we would not be over-building personal care homes. We may have, in fact, in the past, overbuilt some of our schools when that baby boom bubble came through our population, but we will not be building too many personal care homes. We have too far to go in that respect, and I would think that a steady, yearly program of personal care home construction would be far better than a stop-start staggered program of personal care home construction.

I'd put in one other category, I guess, and that's just a minor refinement, and that would be enriched senior citizens' housing, which I think is an area that probably falls between the Minister of Housing's domain and that of the Minister of Health and the Minister of Community Services. As far as I can tell, very little has been done since 1977 in developing an idea that in fact had taken root in the previous administration but, to my knowledge, has not been pursued in practice since that time. And I think it's a very major dimension in terms of our health care facilities, in terms of our social facilities to elderly people. It especially deals with the critical problem of family break-up. By family, I mean elderly couples who are forced, when one becomes a bit infirm, or sufficiently infirm to require personal care, that the family is broken up. One is put into a nursing home, the other stays in his or her own house, or in the apartment, or in the senior citizens' housing project. The family is split. They spent a lot of time together. Both tend to fade in that circumstance. And that's why enriched senior citizens' housing, especially if built in proximity to existing nursing homes, whereby a couple can live together and yet the one that requires access to this special or enriched type of care can indeed have access to it. It's an idea whose time not only has come, but to a degree it's probably passed. I really think that this is an area that requires a great deal of co-ordination between provincial departments, between federal departments, it requires some leadership, and it's one that probably fits very well into this directorate because it strikes me that this directorate is taking on a number of tasks.

So I add those particular areas to the Minister's lists of priorities, and I'll see if my other colleagues have any other points they want to raise on this before we get into some of the specifics.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Thank you, Mr. Chairman. Mr. Chairman, I'm wondering whether the province is still depending on Winnipeg to supply it with — I think that last year it was four — public health nurses in the venereal disease control program, and whether the city is still doing the work which really, I feel, should be totally a provincial responsibility. I'm wondering whether that is still the case or whether in fact this year the province is assuming all responsibility, before I speak any further on this.

MR. SHERMAN: Yes, Mr. Chairman, the province still receives the very valuable services of four public health nurses from the city of Winnipeg in the VD program.

MR. MILLER: Mr. Chairman, I was unhappy with that arrangement last year, and I'm still unhappy this year. I think it's absolute nonsense that the city of Winnipeg, who is hard-pressed financially, who are not getting funded in the way they did before in their health units but are getting funds through their block funding that the province gives them for any number of things, roadways, highways, and public health are lumped together. The city of Winnipeg we know; the school division has made it known that it is hard-pressed to look after the needs of the large school population, particularly in the core area, that they normally would be looking to the city of Winnipeg Health Department for the services, and yet we are continuing to bleed away or bleed off from the city's capacity to provide general public health services, the services of four public health nurses who are now doing what I think the province should be.

The province has the primary responsibility in this field of public health, and I can't for the world of me see how they can justify going to the city of Winnipeg and saying, well, look, you have some public health nurses, will you please make four public health nurses available to participate in the VD campaign, or the VD program. I think it's wrong, because as I say, I don't think the city has the finances for it, nor should they be asked to provide the finances, because that's what they're doing. And to the extent that these public health nurses are involved in this component of the program, they're not free to do other things which are so required in the city of Winnipeg. And again, because of the core area, where things like immunization, the push, the immunization has to be stepped up. It's more difficult to reach people in certain backgrounds. The campaign to get more people aware of the dangers of rubella, and I noticed in the report that last year there were 999 cases of rubella reported in 1979, which was three times the number reported in the previous year. We know that rubella, the effects of those number of cases, 999, which can lead to congenital rubella, is serious. The Minister likes to talk about the bottom line cost. It isn't the rubella itself but it flows from that, and the recognition that it's necessary that young girls, in particular, be immunized, and so to talk about stepping up campaigns, you can send out literature all you want, you have to have a more direct kind of contact and public health nurses are the logical people, working through the school system, because girls of 11 and 12 are in the school system, and you've got to contact them right there. To the extent that the city of Winnipeg public health nurses are busy in another program, which is really a provincial program and should be operated totally by the province and manpower supplied by the province, to that extent other health programs are suffering. I deplore the fact that the province is still trying to shove off to the city some of the costs and the responsibilities that the province should be paying for and the province should be looking after, and not simply look behind the city of Winnipeg.

You know, this government in particular, because the city of Winnipeg is large — it's the largest single municipality in Manitoba — it tends to take the position well, they're big enough to look after things themselves. They're big enough to handle things themselves. That's a cop-out. It's a cop-out because it's treating Winnipeg differently than any other municipality, and they're not different. They're just a municipality like any other. They may be the largest, but they are limited to how they can raise funds; they are limited to the areas in which

they can raise funds; they are limited in their taxation. They basically have the property tax, that's the only tax, and for this province, for this government, which as a much broader tax base, much more avenues for raising funds, to sort of bleed off from the city, even in this case — and I'm only dealing with this, I won't go into other areas where they have been doing it, but in this case I'll limit myself to this — where four public health nurses have been taken over, phased into the provincial program, and are busily involved working with the provincial public health people in the venereal disease campaign.

I'm not saying it isn't a necessary campaign; certainly it is. We know that today this is a very essential program, but I am deploring the fact that it is a provincial responsibility which has been sloughed off, and it was sloughed off on the city of Winnipeg which really can't afford, it shouldn't be able to afford, and is not expected to back up the province in the way it is being asked to do here. It's not even a back-up, it's actually to do the work, which the province should be doing. I'm wondering how much longer we're going to have this sort of thing continue.

My own view is that maybe the day when the city of Winnipeg operates its own public health unit, that day maybe has come to an end. The Minister very often, I know just a few minutes ago referred to the fact that he questioned community health centres because there was a duplication, and they were duplicating some of the services already in place. Mr. Chairman, to me, the idea of having a separate health unit, not part of the provincial health system but operated by the city of Winnipeg, employed by the city of Winnipeg, must lead to duplication; it must. And I think maybe it's time that we look at the health units and just as I believe every other health unit in Manitoba is provincially funded, therefore the city of Winnipeg public health unit should become part of the provincial system and should be totally funded through the provincial coffers. It should not be a burden on the citizens of Winnipeg only to either find some money within a block grant which is already committed 75 different ways for anything you name — transit, buy new buses, provide public health services, all of those things are in that block funding. And I say to the Minister that it's high time we discontinued a system that is decades old and maybe when it came into being it made some sense because at that time there wasn't the provincial health system we have today, but I think it's outlived usefulness, outlived its purpose and the province should assume the responsibility for which it is basically responsible and that is a public health system.

It is not the responsibility of the city of Winnipeg; it should not be part of the block funding, or the property tax that the city has to depend on. It should be paid for by the general revenues of the province and if the province would still prefer to have the city administer it, I am wondering if even that is not outdated. If they want to do that and the city wants to retain the administration, perhaps that can continue, although I personally wouldn't favour that any longer, I think that day is gone. But certainly the funding should be primarily the province picking up what the cost, the comparable cost, is in the city of Winnipeg as compared to any other health unit in Manitoba; that is the health units in the Kildonan/St. Paul area, or the Fort Garry area, or the St. James area, or St. Boniface area. Why Winnipeg is still saddled with that cost, even though I

know that they have gone on record as saying they would just as soon continue to administer it themselves, but I think the day has come when that sort of separation should be discontinued; it really makes no sense to carry it on except for historical reasons. It's a service which should be combined with, not just simply liaison, but combined with the total effort of the public health system in Manitoba, and if more effort is required in a particular part of Winnipeg then it should be made available, just as certain programs that are available perhaps in northern Manitoba which don't apply in the city. Every public health unit reflects the peculiar needs of that community and they may vary from different parts of the province, I don't deny that. But I am sure the programs being offered do reflect that different need and in the city of Winnipeg there is a special need. So to my way of thinking the use of four Public Health nurses to spend their time delivering a program, working in a program which is basically a provincial responsibility is wrong. It is wrong in every way; it is wrong financially; I think it's wrong in the conception of the program itself, in the delivery of the program and that it should be discontinued. I would hope that this is the last year that we see this arrangement; and I would hope the city of Winnipeg would say to the province:

That's it, we co-operated for a year, we co-operated for two years but enough is enough; we need our Public Health nurses to do other things. Unless the province is prepared to take over the whole thing, the city of Winnipeg, I feel, should say to the province: That's it, you've had them for two years, now we need them for our own programs. Because there is no question the city of Winnipeg requires a real significant and large public health input. I deplore the fact that the province has sort of chiseled away and two bitted, chipped away at a program in the city which must be at the expense of something else in the city. It has to be because the city isn't about to go out and hire four more Public Health nurses to take the place of the four that are busy in the VD Program. They haven't got the funds either. We know they haven't; they have less funds than the provincial government.

So I want to go on record as being very critical of the Minister for continuing this. I could see it happening the very first year when they were getting organized to launch a special campaign but to continue it this year again is to me really denying their responsibilities and trying to slough off their responsibilities to another level of government.

MR. SHERMAN: Mr. Chairman, the suggestion by the Honourable Member for Seven Oaks that the time has come, if not come some time ago, for a rationalization of Public Health Services delivery in the city of Winnipeg between the city and the province is a good one and it's timely and it's certainly consistent with my thinking, and with our thinking on the subject and I want to assure him that a committee is at work on that very subject. The committee formed between the Environment Committee and the city of the Winnipeg and my office and the utilization of the four Public Health nurses from the city of Winnipeg in the VD Control Program is, in fact, a step towards that goal and that objective.

I can also advise him that the city of Winnipeg has not objected or expressed any objections to us over the utilization of the four nurses in this manner. I am afraid I can't hold out any promise or optimism to him on his

wish that this is a temporary arrangement that will be terminated in the near future. I don't foresee its termination at any point in time, Mr. Chairman, because it is working out extremely well. Admittedly the Medical Officer of Health for the city of Winnipeg who was here formerly, Dr. Roper Cadham, had some strong objections to the arrangement when it was initially proposed and he expressed them; but the present successor to Dr. Cadham, Dr. Gemmill, has no such reservations and has in fact indicated his complete concurrence with the utilization of those nurses in this manner.

The city of Winnipeg in a Public Health Nursing sense was richly staffed, if I may use that term, I'm speaking relatively, richly staffed in comparison to the province in this field and it was much more rational and reasonable that the job that had to be done in VD tracing in Winnipeg should be reinforced by Public Health nurses available from the city of Winnipeg, than by Public Health nurses available who in fact were not available from the province. We've had no objections from the city. The city has never complained about the financial arrangement or the technical arrangement and the first year's test and application of the program has proved very positive and productive. We need those nurses to pursue the VD epidemic, to pursue the very necessary tracing function that is helping us to at least get at the tip of the iceberg in this epidemic area and I know that the Honourable Member for Seven Oaks concurs in that. He's not suggesting for a moment that it isn't a vital or a valuable or unnecessary job, but I want to assure him that both parties seem extremely satisfied with it and that this application of Public Health nurses does in fact represent, I think, a positive step towards the very integration and rationalization that the Honourable Member for Seven Oaks is talking about. The nurses themselves would operate and continue to operate in a field that, under the new arrangement, might well be taken over in its entirety by the province. The definitions of the final arrangement haven't been arrived at yet but it's possible that the province would assume responsibility for services in certain areas of public health where the city would retain the responsibility in other areas; or it might be a complete take-over the one by the other. We are still at work on the conclusion to that search and thus far the co-operation and co-ordination has worked out extremely well. I think I would have to advise the Member for Seven Oaks that it is an arrangement that is likely to be permanent.

MR. CHAIRMAN: Order please. The hour is 4:30. I am interrupting the proceedings for Private Members' Hour and will return to Committee at 8:00 o'clock this evening.

IN SESSION

PRIVATE MEMBERS' HOUR

MR. SPEAKER: We're now under Private Members' Hour. The first order of business on Tuesdays is Private Bills. The first bill under private bills is Bill No. 24, An Act to Amend the Manitoba Club, 1931, standing in the name of the Honourable Member for Logan.

MR. WILLIAM JENKINS: Could I have the matter stand, Mr. Speaker?

MR. SPEAKER: Is that agreeable? (Stand)
The second item then is Public Bills, and the first item of business on Public Bills is Bill No. 14, An Act to Amend The Law Society Act, standing in the name of the Honourable Member for Kildonan.

MR. PETER FOX: Could we have this matter stand, Mr. Speaker?

MR. SPEAKER: Is that agreeable? (Stand) Then I'll ask the indulgence of the House to have a matter of the first resolution stand for a just a minute. We seem to have a little problem, either through an error on my part . . . An amendment to the Income Tax Act, that was moved by the Honourable Member for River Heights, I don't seem to have a copy of that amendment. The Honourable Member for Kildonan, perhaps he could help me?

MR. FOX: Yes, on the matter of procedure, Mr. Speaker, I have before requested that when members make amendments that they have at least three or four copies available when they are sending one up to you and I find that, again, this is one of the problems that we are having and that's why you don't have a copy this time. So I would urge all members, that when they are making amendments, they have extra copies because before the amendment can be spoken to, it has to be read, and if the Clerk or the Assistant Clerk has to go out to make a copy of it, then the member that wishes to debate the motion doesn't have an opportunity to have a look at what he's going to debate.

MR. SPEAKER: Thank you very much. I believe someone is bringing me a copy. It's an oversight on my part. I'm sure I have it in my office.

The amendment was moved by the Honourable Member for River Heights that the motion be amended by deleting everything after the words, rather than allow them to be destroyed, in the paragraph beginning by, WHEREAS it is in the public interest, and substituting therefor:

THEREFORE BE IT RESOLVED that in the interest of conserving the architectural and cultural heritage of Canada, the Government of Manitoba inform the Minister of Finance and the Secretary of State of the Government of Canada that it supports in principle representations made by Provincial Ministers of Cultural Affairs and heritage-minded organizations such as Heritage Canada and Heritage Winnipeg, which call for early consideration of changes to the Income Tax Act (Canada) to encourage the preservation, restoration and recycling of heritage properties.
Are you ready for the question? The Honourable Member for Fort Rouge.

MRS. WESTBURY: Thank you, Mr. Speaker. I wish to speak on the amendment by the Honourable Member for River Heights. I found this a strange amendment, following on two rather strange speeches from the government benches, Mr. Speaker, and I can't understand how the Member for River Heights could speak so warmly for 19 minutes on the motion and then in the last minute come up with an amendment which I find rather vapid and weakening. However, I was surprised and gratified at the support that was indicated in his remarks. He stated, in reference to the original motion, he stated, and I'm reading from page 1497 of

Hansard, that my motion is taken directly out of an adopted motion of city council of February 6, 1980, taken directly out of there, and he goes on to say it may be too narrow.

Actually, the motion that I presented was taken directly from a motion which I supported and urged through the Environment Committee and through council a year ago and which was brought again for reaffirmation by council with the addition of one line, proposed by councillors Yanofsky and Ducharme, the one line being, through the offices of the Federation of Canadian Municipalities and that was brought in, in order that the motion should go to the Federation of Municipalities, hopefully for their intention.

When the motion was first brought forward, it was introduced by Councillor Jim Ernst, as Chairman of Environment Committee and the Member for River Heights may remember that Councillor Ernst yielded to me, because I was the one that had been supporting and proposing this through the committees of council, as the Chairman of the Advisory Committee on historical buildings.

Now he said that the motion may, in fact, be too narrow, as in fact the Minister did in her quasi-supportive remarks earlier, referring to heritage structures gifted to government. Of course that's another consideration that we must look at eventually, Mr. Speaker, in the near future, hopefully, and provision made for it, but it's an extremely controversial matter and, to me, it's asinine to weaken a resolution by broadening it to include provisions which it's impossible to legislate at the present time, because they're so controversial.

And of course we should be looking at changes in the property tax structures on superior buildings, such as the Bank of Nova Scotia, the Member for River Heights referred to as well. When the Bank of Commerce applied for a demolition permit for their bank and for the former Bank of Hamilton, they didn't have any proposal to rebuild, because of the amount of taxes that they were having to pay. They were only wanting to demolish and leave that lot empty, presumably full of rubble and growing weeds, so that they wouldn't have to pay taxes on the building.

So certainly, I would support any proposal which would enable the city of Winnipeg, on a designated building, to make some allowance for eliminating property taxes, but the point is that the city of Winnipeg tax needs are very well known and, at the moment, I think the city of Winnipeg feels, on the one hand, that they can't afford to make these provisions at the present time. I think that perhaps the province could provide some leadership in that area, Mr. Speaker. Besides that, many of the ICEC supporters of council are rather negative on the whole matter of heritage conservation and it was extremely difficult to get any heritage legislation through the city council, in the time that I was there and the Member for River Heights was there. Some ICEC councillors, in fact, are antagonistic to any heritage legislation at all.

Now, the Member for River Heights came out, as I said, for 19 minutes, like gangbusters, supporting the motion and then produced an amendment, which to me is rather insipid. I got in touch with some people at Heritage Canada and read the amendment to them and they said, Well, it's better than nothing. They felt it was a pity that the reference to the construction industry should be eliminated because that's an important part of the support for heritage reconstruction. Construction

industry, which has not been having a very successful time in the past few years, is anxious for any legislation to be brought forward and particularly for the income tax changes, which will mean that their industry can have a chance at successful reconstruction, rehabilitation, as in fact, is done in the United States.

I suggest to the House that my motion is stronger in content and would be a better motion to have passed than the amendment by the Honourable Member for River Heights, Mr. Speaker. I was disappointed at the lukewarm comments, damning with feigned praise, by the Honourable Minister. I am one of those who feel that this Minister's potential has not been recognized by her Leader and I've regretted that. I had hoped that, in this matter, which reflects her responsibility, she would take a stand and show leadership as the Minister of Historical Resources. But there was nothing there in her speech, Mr. Speaker, and I was extremely disappointed about that; in fact, I'm almost tempted to retract the warm compliments I paid on her record as Historical Resources Minister at the beginning of my speech, when I introduced a motion.

The Minister suggested a number of incentives in her speech. Now why doesn't she introduce those incentives, Mr. Speaker? It's her job to do that and there has been nothing coming forward from this Minister. This resolution could have come from this Minister. I'm tempted to think that with the departure of Miss Mary Liz Bayer the pressure isn't there within the department. I don't know what's happened and why, suddenly, we get this lukewarm response to a piece of legislation which, when I introduced it, I thought was another good thing for me to bring forward as my very first piece of legislation in this House, something that I had already fought through City Council and I knew what I was talking about. I knew that it's supported by Conservatives throughout the city of Winnipeg and the province and I felt that this was going to really not be too difficult to get through and all of a sudden, there's nothing there. There's no support; there's an insipid amendment, a weakening amendment. The suggestion was made that by broadening it, it was strengthening it; it's not so. The broadening it, it's like saying we'll overcome poverty in the province of Manitoba by giving a dollar to everybody in the province, instead of putting a million dollars in to help those who most need it. I'm suggesting that sometimes the lesser can be the stronger, Mr. Speaker.

The Minister referred to the second whereas in my solution, on page 1491 of Hansard, in which she says it makes an implication that the construction industry is in support of this anyway and I want to say that it was not meant to imply that; it was meant to shout it clearly from the housetops, Mr. Speaker. The construction industry is in support of this - —(Interjection)— Pardon? From the heritage building, yes, exactly, tops. And the construction industry is in favour of the original motion; they haven't come out in support of any amendments, they just wanted it as it was presented to City Council a year ago, Mr. Speaker. If the Minister would speak to her friends in the construction industry, they would confirm it to her and I suggest that she hasn't done her homework in the need to speak to those people before she came here with the negative comments; the same comments, on my part, apply to her objection to the next whereas.

The Minister's speech, her remarks, sounded to me as though they were written up by an accountancy student

or by a law student, who was told to take the negative position in a debate, whether he believed in it or not. That's just the way it sounded to me. There was nothing there, nothing there, very disappointing. The comments were unbecoming, I suggest, for a Minister charged with responsibility for historical matters.

Well, my understanding is that the New Democratic party is intending to bring forward another amendment and before they do that, I would like to acknowledge the contribution of the Member for Wellington, who demonstrated his willingness to support beneficial legislation, regardless of which party or who introduces it into the House. I've been dismayed in my short period here, finding that there seems to be a tradition that you never support something that's brought in by another party and I hope that I will be here long enough to find that my first impressions are not true. The good of the community should come first; the political enhancement of our party, I'm afraid, in this House is inclined to come first.

I have a photocopy of a letter signed by the federal Leader of the New Democratic Party. Before they introduce their amendments — I have no idea what it's going to say — I would like to read this into the record, Mr. Speaker, in the hopes of influencing the New Democratic Party. This letter is addressed to the Secretary of Heritages, St. Norbert Incorporated, who sent him copies of correspondence, including the suggested changes to the Income Tax Act. He thanks her for the letter and goes on with the attached copy of correspondence, which was presented to Dr. Axworthy and Mr. Cretien. This letter is dated March 20, 1980:

During the recent federal election campaign, concerning proposed tax reforms to assist your community in the preservation of historical buildings, the New Democratic Party supports these proposals, which would be of benefit in the preserving of architectural elements important to the identity of your community. It is hoped that the government will see fit to grant the tax reforms recommended by Heritage Canada. Your sincerely, Edward Broadbent.

Thank you, Mr. Speaker. That concludes my remarks, until and unless another amendment comes forward.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. SCHROEDER: Thank you, Mr. Speaker. The initial resolution had a number of purposes. One was to conserve heritage buildings, another was to rehabilitate heritage buildings, and a third was to assist the construction industry. All three of those purposes are purposes which we heartily endorse. The entire question that we have is whether . . . well, there are number of questions. First of all, what exactly is, or should be the definition of a heritage building? Secondly, does this resolution or the amendment achieve the goals of conserving heritage buildings, rehabilitating heritage buildings, or assisting the construction industry? And thirdly, is that goal, if it's achieved, is it achieved in the fairest way possible? Mr. Speaker, I must say that I am undecided as to those issues and I would like to explain why, and certainly I would like to hear the input of other members with respect to these issues.

First of all, the definition of a heritage building. If it is a city which designates a definition, and then we have the federal government paying the piper, that would seem to me to be not quite appropriate. It would seem

to me that if we're going to have heritage buildings which have assistance through senior levels of government, then senior levels of government will be entitled to define which buildings are classified as heritage buildings.

Should the owners of heritage buildings be entitled to destroy them? I raise that question because, in the original resolution, paragraph (B) states, delete the provision in which an investor, upon the demolition of a designated historic building, may deduct an amount equal to the book value, or undepreciated capital cost of the building from his taxable income. Well, it seems to me that if historic buildings, if heritage buildings can now be destroyed, then the very function of designating them as heritage buildings is lost and there should be changes made. If we're going to say that a building is a heritage building, then surely the owner should not have the right to destroy that building, and therefore, paragraph (B) of the original resolution would be redundant.

Does the resolution achieve the goal of assisting the building industry? I don't think there is any doubt that it would. Does it achieve the goal of preserving existing heritage buildings? In terms of preservation, I submit that this particular resolution will do absolutely nothing. Under current Income Tax law preservation or current repairs are deductible from current income. If you have a broken window or a roof that leaks you can repair it and you can deduct that from your taxable income. So there is no change needed in terms of conservation of buildings in their existing state. Where the difficulty comes in, currently, is in the matter of upgrading, rehabilitation. Current law allows only for depreciation to be taken, capital cost allowance to be taken over the years, on specific capital programs.

In either case Income Tax law assumes that there will be income, either from the building or other income to the owner. If there is no net income, there are no benefits as a result of this resolution. The benefits, of course, would go more definitely to the big company. The bank will have sufficient other income to be able to use a 100,000 write-off in the first year, whereas one individual who owns one of these buildings, in all likelihood, would not have that kind of net income and it would not be of the same kind of benefit. But there's no question that there would be some benefit as a result of this change to most, if not all owners of heritage buildings. Is the goal being achieved in the fairest way?

It seems to me, Mr. Speaker, that the designation of a building as an historic building, and thereby telling the owner that he cannot destroy it, cannot change it, but must leave it in its current condition or upgrade it to some previous condition, is the partial expropriation of the owner's right to deal with his property. Ordinarily a person is entitled to deal with his property as he sees fit. If there is an expropriation of that right in most instances there is law currently available to deal with that expropriation. If you own a building and the government decides to run a freeway next to it you're entitled to compensation for the loss of value of your property, even if that freeway doesn't run across your property.

MR. SPEAKER: Order please. Could the honourable members please give the honourable speaker the undivided attention of the House.

The Honourable Member for Rossmere.

MR. SCHROEDER: It looks like a football game down there and somebody in the huddle.

The designation of a heritage building then does take away some of an owner's rights. And it would seem to me that one alternative solution is to calculate the cost to the owner of this designation. What is the difference in market value before and after? If you have a building which is not designated as an historic building, or a heritage building, what is the value of it; and once it is designated, has the value changed downwards? If it has, then possibly there should be compensation. I'm not sure that the method proposed is necessarily the best one, and therefore I would certainly appreciate hearing other members speak on this topic.

Thank you.

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

MR. CHERNIACK: Thank you, Mr. Speaker. I have listened to various speakers and I re-read what some of them said. I must say that I am looking forward to the opportunity of giving the Member for Fort Rouge even yet another chance to speak. I want her to speak; I like her style; I even wrote down some of the words that I hope to be using in the future; and would like to give her the opportunity, especially to deal with Mr. Broadbent as often as she wants to quote him as an authority. I am happy to hear that as long as she refers to New Democratic Party policies as being worthy of consideration and report. I am happy to hear that.

I must say, Mr. Speaker, I listened to the Member for River Heights, I re-read what he said, I agree with him, I agree with what he said about the Member for Fort Rouge's presentation on the resolution; I agree with what she said about his. As a matter of fact, Mr. Speaker, there is a story — I think it's a Talmudic story — but it's a story about a Rabbi who was being consulted by two opposing factions in some dispute. It's an old story, and I think the Member for Virden must have heard it before because he seems to be familiar with it. One of the disputants came to see the Rabbi and the Rabbi was sitting in his living room and listened to this person — the Rabbi's wife was in the kitchen, where in those days and of that tradition the wife was supposed to belong — he was listening to this complainant and he said, You're right, you're right. The complainant left and the other side of the dispute came along and sat down in the same chair and the Rabbi listened to him, and he said, You're right, you're right in what you say. And when that person left the Rabbi's wife came into the room and she said, I listened to what was said to you, and I heard your response, you agreed with each of them that each was right, and it seems to me that only a fool would agree with both sides. And he said, You're right. So I do find myself in that position, Mr. Speaker, of agreeing with almost everything everybody said.

I cannot get completely enmeshed in this as being the greatest problem that is discussed in this House. I do believe that we should treasure our historical sites, I think that Heritage Canada is an important concept because our country is so young and because so many of the people who live in this country are yet first, second and third generation Canadians whose earlier heritage may have been destroyed in traumatic experiences, and it's important that they acquire a feeling for Canada in many ways. It bothers me sometimes when I read

the debates that are generated in city council and in which so many of the previous members of this Legislature have already spoken, previously councillors, and they get all involved in should we let the Bank of Commerce tear down the Hamilton Building, or the Bank of Commerce building, or shall we force them to stay there? The question of cost always seems to me to be sort of set aside in the debates and the owner is very often put in a serious dilemma of being terrible citizens, not good corporate citizens for daring to want to tear down the building site and daring to want to rebuild it into a valuable economic building.

The Member for Fort Rouge talked about the Minister and about her speech and she said why she was damning with faint praise. I don't know if she was damning at all. I think there was faint praise and I would say no enthusiasm for the subject, which is, I suppose, deplorable that the Minister responsible, and she really doesn't have that much to do that she shouldn't get pretty excited about things that do come within the orbit of her work. Nevertheless, the Member for Fort Rouge who introduced this says this is the first matter she brought before the Legislature; I wish she had a more exciting subject to bring before us. Nevertheless, since she feels motherly towards it, it's a motherhood thing for her, it's something she developed in the city council, I would only hope that with her enthusiasm and with her method of presentation she can persuade her predecessor, Dr. Axworthy, that she referred to and who now has tremendous power and tremendous influence, to do all the things she would like to see done and she'll see to it that he does it. And indeed, now that she has a regular pipe line to the Prime Minister, and I think we've already had evidence that she has direct information coming from Ottawa, that she can be much more successful in persuading them in Ottawa than she can be successful in persuading anybody here, especially Conservatives on the government side, to do anything. So let's hear what the Liberal Party has to say. She has already told us what the Leader of the NDP has said, why hasn't she read to us what the Leader of the Federal Liberal Party has done?

So the trump card she produces, I wish, Mr. Speaker, I could match that by producing a letter from Pierre Elliott Trudeau saying, here is what he thinks about this issue, but that will take awhile. —(Interjection)—

The Member for River Heights called across that he didn't promise it. Well, I'm not sure that we can count on promises as being the way by which we will be governed because he was fighting such an empty opposition when he fought his election with so many kept promises that came to burden the previous Conservative government that he showed that he could win an election by making no promises at all but making a fairly presentable appearance wherever he went. That is damaging to democracy but I would fault the federal Conservatives for making it possible for a Liberal campaign to be conducted without promises and without any forthright statements, and it was really the Conservatives that made that possible. It is a pity.

The New Democrats, I think, put on the best show possible and I haven't the slightest doubt in my mind but they have yet to convince the majority of Canadians that the New Democratic Party in federal light will be the succeeding party. We have had no problem in the past in Manitoba to persuade them that the New Democrats could form a government and we will do so again

in the very near future, so don't laugh too happily about the New Democratic presentation.

The Minister, according to the Member for Fort Rouge, had a narrowing speech. She didn't do her homework. She used an accounting or a law student to do her work for her, according to the Member for Fort Rouge. Law students sometimes produce, and accountancy students, better work than do their seniors, I must tell her that. But I do have to say that I agree with the Member for River Heights who said that the motion as presented by the Member for Fort Rouge would be narrowing the scope of the proposal to the federal government and by golly, Mr. Speaker, he's right. Because really what is she saying here? Now her preambles are fine, but then what does she say, We must persuade the Minister of Finance, to whom she now has ready access I am sure, we must persuade him to allow renovation expenses on designated buildings to be deductible from other taxable income, and the Member for Rossmere made an important point in that line. She also says, delete a provision, which in this case would make it attractive for an investor to demolish a building. To her that seems to be the cure-all of everything and the fact that my federal leader says yes, I'll go along with that, does not mean that he has so little vision as to say that this will cure the problem. It won't, there is much more that has to be done. So I agree with the Member for River Heights that the resolution is — what did he say? — narrowing the scope.

But then, Mr. Speaker, I certainly agree with the Member for Fort Rouge in criticizing the amendment of the Member for River Heights. I would not use those terms that it is vapid; that it is insipid; it is asinine. These are the words she used and I wrote them down, Mr. Speaker, because wow, it's as if the world is going to stop or start on the basis of this debate, therefore she had to give it all those descriptive words: vapid, insipid, asinine. I don't think it's necessary, Mr. Speaker. Let's just read the amendment and we'll judge for ourselves what it is. What is he saying? He says, that in the interest of conserving architectural and cultural heritage of Canada, the Government of Manitoba inform the Minister of Finance. Mr. Speaker, do we have to pass a resolution here in this House for the government of Manitoba to inform the federal Minister of Finance of anything? The government is presumed to be governing. Some of the Ministers of the government are presumed to have minds of their own and if they want to inform anybody they can do so. It would have made much more sense, Mr. Speaker, for us to say that the Legislature of Manitoba inform the Minister of Finance. Then he would be appealing to us to help him. But if he can't, in his own caucus and as a Legislative Assistant, as I know he is, especially to the Minister of Finance, if he cannot get his own government, his own Minister, his own Prime Minister, to tell Ottawa what they think, then he is not going to succeed very well by coming to this Legislative Assembly to get us to have the government inform the federal government of what? Of what, Mr. Speaker? That it supports, that is the Manitoba government supports in principle — he's not taking any chances — in principle it supports representations made by whom, Mr. Speaker? By provincial Ministers of Cultural Affairs. Who is our Minister of Cultural Affairs? A Minister who sits in the same caucus with him, who sits in the row in front of him, with whom he should have a pretty close rapport. But he needs our help to have the government of Manitoba

inform the Minister of Finance federally that it supports in principle representations made by the provincial Minister of Cultural Affairs and heritage-minded organizations.

Mr. Speaker, if I did hesitate and didn't want to use the word vapid I would go to the Member for Fort Rouge and say, please tell them it's vapid description, because indeed, Mr. Speaker, it's not very helpful to move this kind of an amendment.

So, Mr. Speaker, I have an amendment to propose, and let me tell you, Mr. Speaker, it's not my own alone. We discussed this very important and complex — and I do believe it is both important and complex — proposal; we did among several members of caucus and after we had discussed all the weaknesses in the resolution itself, and it is weak because it only proposes two tax measures. Too often, Mr. Speaker, do people think that by relieving taxation they have solved all the problems. Taxation should not be used that way, in my opinion.

We brought out certain suggestions of problems that should be considered and let me mention them, and many of them have been mentioned by the Member for Rossmere already. We believe that there has to be consultation, there has to be working together. We believe that the authority that makes the decision should have a direct responsibility in the financial cost. It's all very well for the Council of the city of Winnipeg to say, we declare this to be a heritage building, you can't deal with it and we now call on the federal and provincial governments to handle the cost, or the private owner. It's all very well for the provincial government to pass legislation saying you, the municipality, shall pay the burden or the cost of that. And we say there should one body which has a responsibility related to the historical buildings themselves but also to the cost of financing it.

We believe that there should be a change in assessment provision and that that is at the municipal level and should be handled that way. We believe that there should be a compensation to municipalities for what they would lose if they did indeed wipe out municipal taxation of buildings of this type. We believe that there should be compensation to owners of buildings who are adversely affected, Mr. Speaker, because since we respect the owners rights to their property, we should also recognize, as mentioned by the Member for Rossmere, that it is a form of expropriation to take away rights. On the other hand, we say when they bought a building of historic nature, firstly, they took their chances and, secondly, they also wanted to have the satisfaction of knowing that they owned and operated such a building. We believe there should be some provision for compensation, and we say there are some income tax measures that would be helpful and we put them in the proper light as amongst many others, and that's my criticism of the resolution itself.

Mr. Speaker, since I really would like to give the Member for River Heights, who is sitting there listening to all that was said about his amendment both by the Member for Fort Rouge, who used such rough language and also by me, I want to give him a chance to be able to speak on this, and I want the Member for Fort Rouge to speak, and I suppose it is the kind of subject that we can all speak on at length.

I move, seconded by the Honourable Member for Seven Oaks, that the amendment be amended — I interrupt myself, Mr. Speaker, to point out to the Mem-

ber for Fort Rouge that either she or I are learning the procedures in the House because she wants lots of copies, of which she will get one, I promise her, because I will give it to her myself.

I move, Mr. Speaker, seconded by the Member for Seven Oaks, that the amendment be amended by deleting all words following the words, Government of Manitoba, and replacing same with the following:

take the initiative in consultation with the federal and municipal governments to develop an all-encompassing program which may take into account many factors and approaches such as:

(a) Transference of authority to declare properties as heritage properties to a commission comprised of representatives of federal, provincial, and municipal governments, who would have a direct responsibility of financing the costs which result from such declaration.

(b) Providing a property assessment formula which would take into account the reduced value of heritage property because of restricted redevelopment opportunities.

(c) Providing for federal and provincial grants in lieu of the tax losses suffered by municipalities because of the impact of reduced assessed value, without however relieving the municipalities of a fair share of such loss commensurate with fringe benefits receivable from tourist and renewal development and with the associated costs resultant from municipal decisions to declare such properties as heritage properties.

(d) Provision of compensation to the owner for damages resultant from limitation of the use of the property because of such declaration.

(e) Enactment of amendments to The Income Tax Act to recognize accelerated depreciation of renovation costs attributable to maintenance of historic and architectural features of such properties, and to create a disincentive to demolition of such buildings for tax advantages.

Mr. Speaker, may I just have the opportunity to point out the word demolition in the last line is misspelled and I trust that you will permit the correction of that so that the Hansard reproduction and on the Votes Proceedings it will be purer.

MR. SPEAKER: I have received a copy of the proposed amendment and I have some concerns with respect to the question of whether or not this would have a direct impact upon the Treasury of the province. The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Speaker, maybe you would care to here me comment on your concern.

MR. SPEAKER: Yes, I am seeking the advice of the House.

MR. CHERNIACK: Well, thank you. I'd be glad to suggest that the purpose of the amendment, as stated, is to take the initiative to develop an all-encompassing program, that is the direction of the amendment, and then it says, which may take into account many factors. I think that passing of this would not in any way put onto the government the responsibility or the burden of paying any costs whatsoever. I'm suggesting that all it would do is to suggest to the government that it consider ways and means which can be used to develop a program which may include certain factors such as would affect the financial concerns of the province.

In other words, although the words don't say so, and they don't have to say, the phrase we know, take into consideration or consider the advisability of, because that in itself is inherent.

I suggest that to you, Mr. Speaker. You may want to consider it more fully.

MOTION presented.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. WESTBURY: Mr. Speaker, I was wondering if the Honourable Member for River Heights was going to speak on this, but he doesn't have a copy, he signalled to me across the House, so it makes it pretty difficult for him to respond to this new amendment. I, of course, did not see a copy of it before I came here today and I will attempt to reply as best I can, in this unprepared state, to some of the comments and suggestion that have been made.

First of all, I must say that having been here for two months, I'm astonished that my language should come under question; I thought it was extremely moderate, compared to some of the things I've been listening to around here and I guess I'm just becoming too used to them and that perhaps the whole business of violent language is something that's becoming so familiar to me now that I consider words like vapid and insipid to be extremely moderate words. So perhaps I'm just going to have to watch myself a little more closely. I've listened to charges of lies and lying and rat-infested nests and all sorts of . . . being in bed with people and all sorts of things thrown around this Chamber and I thought vapid and insipid were really quite nice, compared with some of those.

So, to get to the amendment and to the last two speeches. I tried to take some notes; of course, not having the benefit of having Hansard in front of me, I've had to just try to note things down as they were said and I think some of the comments were really very well taken and show some sensitivity to the problem. I'm sorry that there wasn't the opportunity for some of the heritage professionals to be here to respond to some of them.

The Member for Rossmere referred to, under (B) of the resolution, the original resolution; he said, owner's have no rights under (B). And the reason that the motion suggested that the provision — and I don't know if everyone has a copy of this — (B) states, delete the provision in which an investor, upon the demolition of a designated historic building, may deduct an amount equal to the book value or undepreciated capital cost of the building from his taxable income. Of course, that's one of the weaknesses of the present legislation, Mr. Speaker. The investor, the owner, is allowed to deduct the amount from his taxable income and that's one of the incentives which at present exists — the incentives to demolish, rather than to preserve. That's one of the weaknesses that it was felt by the Heritage Canada people, by the Heritage Winnipeg people, by the advisors to the Minister, one of who was chairman of Heritage Winnipeg, and by the solicitors of the legal department of the city; one of the weaknesses of the present Act, one of the reasons that it had to be changed. That was the purpose of the deletion.

And I think the Honourable Member for Rossmere actually misunderstood the intention there. He said that

under the current income tax law repairs are deductible. There's a once and once only provision there, as I understand it, Mr. Speaker. If there are repairs that are one time only repairs then they are not considered to be repairs and they are not deductible. A once and once only expenditure in a reconstruction, rehabilitation becomes, under the income tax provisions, a capital expenditure so that the Honourable Member for Rossmere was absolutely right in saying that under the current income tax law repairs are deductible; but he is wrong in the way that that is applied. And the once and once only provision I am suggesting is something that perhaps he needs to go back and have another look at.

He was talking also about the changes in the market value that would be the result of passing of the original motion. The general consensus in cities across North America, and the city of Winnipeg did do a study on this, what provisions are made for changes in assessed market value, assessed value or market value, when reconstruction takes place. The general feeling is that it is impossible to calculate what changes will take place. In some places, in some circumstances, building has been found to increase in market value when it is restored and it becomes an important historical monument, it becomes an address of significance and it is much sought after in that way. And so it has been found that it is really not as simple as it sounds to say; what is the change, what is the expected change in the market value when it has been reconstructed and should compensation be paid to owners because of any possible changes in this market value?

The Honourable Member for St. Johns — I hope he meant it when he said he enjoyed my statement because I certainly enjoyed his — he has an appealing way, a charming way of putting his points across even if they are not entirely favourable; the charm comes through and makes one sort of knuckle under quite nicely, even when one is being criticized. Now he said the motion was weak because it only proposed two tax measures. He also suggested that with my pipeline to the Prime Minister's office I should, perhaps, be finding out what he has to say, as well. And certainly I have made my representations on these changes to my own member of parliament, who is the present Minister of Employment and Immigration, both when the previous government was in power and since the election.

Mr. Speaker, I have been told that these amendments were about to be proposed; the Cabinet had almost come to a decision when the May election, 1979 May election, was called and when the new government, the Conservative government came in it was a case of starting from scratch and convincing that government, that Cabinet, of the need for these changes and that had not yet been achieved when the next election was called. So this has been held up for a year because of the changes in government, Mr. Speaker.

The Member for St. Johns also, in his amendment, somewhere here suggests that there should be compensation to municipalities — providing for federal and provincial grants in lieu of the tax losses suffered by municipalities because of the impact of reduced assist, value and so on, with a qualification following that to which one I would not take exception. And I thought I had indicated, in my previous remarks on the first amendment, that any assistance that could be given to, in my case I suggested the city of Winnipeg, by provincial government, and the incentives to them

along these lines of deferring withdrawing of property taxes, would indeed be welcome. So that's a perfectly acceptable amendment; that portion of this amendment I could support.

Transference of authority to declare properties as heritage properties, Mr. Speaker. If that was the feeling of the House and of the federal House, that a commission made up of federal, provincial and municipal governments should be responsible, I would suggest that is acceptable, provided, of course, that there was some opportunity for expert input such as there is in the city of Winnipeg, where the advisory committee is indeed made up of experts rather than of politicians; experts who are qualified and capable of advising the city council, the politicians of the city council.

I also have to say, of course, as I said earlier, that nothing has been done by the province, by this government or by the previous government, to take a positive action in the preservation of historical and heritage properties in this context, Mr. Speaker. So therefore, the municipal government, I think, is particularly to be commended because they have done something positive. Is it your wish to call it 5:30; it is 5:30 I see, Mr. Speaker?

MR. SPEAKER: Order, order please. The time being 5:30, the next time this issue is raised the honourable member will have 10 minutes time remaining. The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Minister of Government Services, that this House do now adjourn and resume in Committee of Supply at 8 o'clock.

MOTION presented and carried, and the House is accordingly adjourned and stands adjourned till 2:00 o'clock tomorrow afternoon (Wednesday).