

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 22 April, 1980

Time — 8:00 p.m.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY - CONSUMER AND CORPORATE AFFAIRS AND ENVIRONMENT

**MR. CHAIRMAN, Morris McGregor (Virden):** Call the committee to order. I guess everybody knows where we left off, Resolution 35. 2.(b)(2) — the Member for Elmwood.

**MR. DOERN:** Mr. Chairman, I was just beginning to ask the Minister some questions again about Edison Realty, which apparently has been hauled into court or challenged in terms of rent increases by, I assume, the Rent Stabilization Board, and the Minister informed us that they are now today, in the courts, after that considerable period of time.

I, first of all, find that it's nevertheless hard to believe that it took that long to get a booking and to get them into court. Let's say that the impression created, false or otherwise, was that there was some footdragging going on in the department.

I wanted to ask the Minister what he is going to do in the event that Edison Realty is, let's say, judged to be charging too much money and that rents will have to be refunded. You now have a situation where I assume, I don't know, but I assume that there are hundreds of people involved; I don't know if this is all of Edison Realty properties or a number of their major holdings but I assume that in the last year-and-a-half people who were resident in those blocks have now moved; there is always a high turnover. And one question would be, how can their overpayments, should they occur, be refunded? Have any records been kept, or is it incumbent on the landlord to keep the records or, in view of the court case, was the landlord required to keep records?

**MR. CHAIRMAN:** The Honourable Minister.

**HON. WARNER H. JORGENSEN (Morris):** Mr. Chairman, in the first instance, it was Edison, he was not hauled to court, as my honourable friend suggests; Edison Rentals challenged the decision of the Stabilization Board and that brought about the court case, and it only involved five of his properties, not all of his properties. Insofar as the records are concerned, I am assured that those records have been kept and it is not a case of having to locate tenants who might have moved. I believe all those records have been kept and there will be no difficulty in . . .

**MR. DOERN:** Well, again, I ask the Minister, I assume this is Mr. Martin Bergen. I ask the Minister whether he was required by law or some court procedure, or notified by the department that such records would have to be kept in view of a successful judgement against the company.

**MR. JORGENSEN:** Well, I repeat again, it was Edison Rentals that challenged a decision of the Rent Stabi-

lization Board, and I'm quite certain that since there was knowledge that the matter was going before the courts, that complete records had been kept. I don't think there was any question about that.

**MR. DOERN:** Mr. Chairman, again, I want to say to the Minister, if the challenge was issued one-and-a-half years ago, was there not an attempt made at that time to get the matter into court? I'm assuming that we're now going back to 1978, late in the year. Surely the case could have been heard in the first six months of 1979. Was an application made to the court to hear the case? Why was it hung up for so long?

**MR. JORGENSEN:** Mr. Chairman, the department has been attempting to get this matter into the courts for a long time and we have no control over when the dates set for the hearing can be held. It's a matter that's entirely within the hands of the courts.

**MR. DOERN:** I would also ask the Minister if there are any other similar outstanding cases before the courts or that should be before the courts?

**MR. JORGENSEN:** Not to my knowledge, Mr. Chairman.

**MR. DOERN:** If there are any cases similar in the next few months, since you are phasing out your rent control program on June 30th, will those cases go forward, in a sense of if anything should occur in the next few months, will there be prosecutions or follow-through? Even if they occur in the latter part of 1980 in the sense of, if they're noted now, will they still be followed through?

**MR. JORGENSEN:** They will be followed through.

**MR. DOERN:** I would like to ask the Minister, Mr. Chairman, on the subject of rent controls, whether any provinces are planning on continuing their rent control programs. Could the Minister indicate right now which provinces still have a rent control program and whether there has been any indication that they will be continuing through 1980 or beyond?

**MR. JORGENSEN:** I couldn't answer that question, Mr. Chairman, I'm not sure which provinces still have retained rent controls. I mean rent controls in their complete form. I know that the province of Saskatchewan has a modified version; I think rent controls apply only to Saskatoon and Regina, and then in limited form.

**MR. DOERN:** Well, could I ask the Minister, I assume that we won't finish this department tonight, and tomorrow is Wednesday, there'll be debate on bills, and we may or may not get into this committee. I assume that we will be here Thursday afternoon, and maybe Thursday evening. I would ask the Minister if he could, in the next couple of days, get us a report from his department on which provinces are continuing and any other pertinent information in that regard. That would give him 48 hours.

Mr. Chairman, the other main area I wanted to explore with the Minister, and some of this may have been mentioned by my colleague, is the question of the possible extension of rent controls. I believe that this has to be a consideration. I would certainly be prepared, as an individual, to seriously consider the reverse, and so I would also assume that the Minister, who has a bent the other way, should also consider an extension. I note that two years ago, April 28th, the Honourable Ed McGill released a statement on the phasing out of rent controls to June 30, 1980, in a press release, and then indicated there would be monitoring after that. My case to the Minister goes along these lines, namely that I relate the possible necessity of extending rent controls to the fact that there is a very high interest rate; the prime rate in Canada is at an all-time record high; the number of mortgage defaults is at a record high. In Manitoba, the collection agencies and the bailiffs are doing a booming business. There is a tightening of credit. I heard today on the radio, as an example, that I think Mobil Oil of United States or Canada is not going to accept any more credit cards, no new applications can occur. And the area that interests me the most and the committee the most is in regard to apartment vacancies and possibly vacancies in terms of homes. There is a fall-off in construction; the housing market is soft; the apartment market is soft, and my argument is simply that there should be - maybe there's going to be a delayed reaction, but I believe that because families will now not be able to buy homes that they were planning to, that there is going to be a bulge in the number of people who will then look for apartments. There is always this move from rental accommodations to homes, and of course when people get older it goes the other way. But essentially, you get families and young families looking for homes. Now, there is no way that they can pay 16 and 17 percent-plus mortgage rates, so I believe they will be forced to stay in their apartments, and once you take off rent controls, I think there is going to be a big bump-up, because I believe in my judgement, the demand will increase because people will tend not to be moving out. There will also be some casualties coming back, some people who will be giving up their homes, and I say to the Minister, what good is monitoring; I mean what good is this program of monitoring? It seems to me there's an illusion here and that is that the Minister seems to argue that the vacancy rate is high in apartment rentals and that this alone will insure that rents will not increase. And what he seems to be saying in that answer is that if the situation gets tighter, I mean this is what he's implying, I know he's not saying this but I tell him this is the logic, that the logic is that if the situation gets tighter you will reintroduce rent controls. Now I am asking the Minister whether he is in any way, shape or form suggesting that since the market is soft we don't need rent controls but, should it tighten up, that he may favour and his government may favour the reintroduction of rent controls. Is that what he's suggesting to this committee?

**MR. JORGENSEN:** No, I haven't suggested that to this committee, Mr. Chairman, but I might say that this whole matter was thoroughly gone over this afternoon and I think answers were provided to the very questions that he has now asked.

**MR. DOERN:** I also have to say to the Minister, I wasn't here at that particular point but I also have to ask him on what basis does he believe that there is high vacancy rate in the apartment rentals. Is he saying that it's overbuilding? Because if he says that, I have to tell him that I believe that one of the main causes of apartment vacancies and the poor housing market is the fact that there has been a large number of Manitobans who have left the province and he may say over-construction or over-building, I say it's the fact that we have been losing population which has aggravated the apartment rental situation and the housing market and it's because of the broad policies of his government that there's been a down turn in the economy and that there has been a population decline and, consequently, a fall off in demand.

**MR. CHAIRMAN:** 2.(b)(2)—pass; 3.(a)(1)—pass — the Member for Logan.

**MR. WILLIAM JENKINS:** Mr. Chairman, could we get a breakdown of the increases here, from the Minister?

**MR. CHAIRMAN:** Committee, I erred here. Resolved that there be granted to Her Majesty a sum not exceeding 1,160,100 for Consumer and Corporate Affairs and Environment—pass. Okay, now we're at 3.(a)(1) — the Member for Logan. Would the member repeat the question?

**MR. JENKINS:** Mr. Chairman, could the Minister just give us a brief outline of what this branch deals with and the increase in salary, whether there is an increase in staff man years here or it's just the incremental salary increase, plus the wage rise?

**MR. JORGENSEN:** This particular branch deals with the Corporations Branch, the Insurance Branch, Securities Commission and the Public Utilities Board.

**MR. JENKINS:** Then I understand that 3.(a)(1) or the Corporations Branch, it deals with the administration of the Corporations Act.

**MR. JORGENSEN:** Mortgage Brokers and Mortgage Dealers Act.

**MR. JENKINS:** I deals with all the acts, or just . . . I'm not talking about the heading, Mr. Chairman, I'm talking about 3.(a) Corporations Branch, (1) Salaries 332,200.00. The function of this branch, if I understand it correctly, is the administration of the Corporations Act. Is that its total responsibility?

**MR. JORGENSEN:** It deals with the registration of companies and the business names registration.

**MR. JENKINS:** These are the ones that we see published in the Manitoba Gazette; they are registered with the branch and they, in turn, have them published in the Gazette?

**MR. JORGENSEN:** Yes.

**MR. JENKINS:** And we have the same staff complement as last year, in this . . .

**MR. JORGENSEN:** Now there's one additional clerk-typist position required to maintain the mailing system,

used to update the corporate registry. And then there's an increase in salaries due to negotiated general salary increase and salary adjustments and one additional staff man year required in the maintenance of a mailing system for annual returns.

**MR. JENKINS:** I just didn't quite catch the last few words that the Minister said.

**MR. JORGENSEN:** One additional staff man year required in the maintenance of a mailing system for annual returns.

**MR. JENKINS:** Thank you.

**MR. CHAIRMAN:** 3.(a)(1)—pass; 3.(a)(2)—pass; 3.(b)(1)—pass — the Member for Logan.

**MR. JENKINS:** Mr. Chairman, through you to the Minister, do we still have the branch of the inspector of insurance here in the province?

**MR. JORGENSEN:** Yes.

**MR. JENKINS:** And this is what this deals with?

**MR. JORGENSEN:** Yes.

**MR. JENKINS:** The director of insurance reports directly to the Minister. Does the supervisor or superintendent of insurance . . . I believe that's the proper name. Does he —(Interjection)— Well, I'm not sure of the gender of the person holding the position, I'm informed that it's . . .

**MR. JORGENSEN:** Miss. Stamp.

**MR. JENKINS:** Does she deal with all aspects of insurance?; I mean life, fire and automobile insurance, as covered under the Manitoba Public Insurance Corporation? Does the MPIC report directly to the Minister?

**MR. JORGENSEN:** No, they report under a separate act, Mr. Speaker.

**MR. SPEAKER:** 3.(b)(1)—pass; 3.(b)(2)—pass; 3.(c)(1)—pass — the Member for Elmwood.

**MR. DOERN:** Mr. Chairman, I've waited a long time for this section because I want to deal here with the Winnipeg Mortgage Exchange. Now, I find this a really extraordinary story. Here's a company that deals in mortgages, which is, I suppose, first and second mortgages and I suppose the big money is in second mortgages. And here, in 1979, at a time of high interest rates and high mortgages, the Winnipeg Mortgage Exchange goes belly-up. Surely this is a bit like a grocery store declaring bankruptcy during a famine. How could this happen? How could this company, which has been operating in Manitoba for 27-odd years, if I recall correctly, suddenly go out of business and unfortunately — and this is my concern in this matter — hundreds and hundreds of small investors take a tremendous beating. I've heard stories of people from a few thousand dollars, I guess up to 30,000, 40,000, 50,000, 60,000, 75,000 and maybe more. And although that's a fair amount of money and nothing to be sneezed at, in some cases this is the total wealth of these people, which may have arisen, in some cases, say from some-

body selling a home and then possibly, say a widow for example, sells her home, moves into an apartment, takes the essential proceeds from her worldly possessions and puts them into this kind of a company.

Now, we then find out that the Winnipeg Mortgage Exchange has made some very bizarre investments. They went into receivership last year and we discover in December that they loaned 5 million on some land in British Columbia, which the lawyer described as a nice meadow and we then discover the people who — some 850 citizens, I think essentially Manitobans — invested some 15 million in the company. I don't know what the arithmetic is there; it sounds like a couple of thousand dollars apiece, maybe more than that. I don't know if that's 2,000 apiece, or is it 20,000 apiece? 20,000? On an average.

One of the questions that bothers me is this. I'm also disturbed by the decision in the courts, but I'll hold that aside just for a moment and what I ask the Minister is this: You know, there are some little people who got hurt in this business and I guess, as usual, they range from widows with a few thousand dollars to millionaires with a lot of money. But my question to the Minister is this: Are there no checks, no routine procedures that might prevent this type of a disaster?

I think back to the Atlantic Acceptance Corporation, which was a very big company that went under and this is kind of a local version, but to people in Manitoba who were the main investors, this is an equally large disaster. I am simply saying to the Minister you have a Securities Commission, what are they supposed to do? Could they have done anything and did they do anything prior to the receivership or is it just a case of the Minister throwing up his hands and saying well that's it, that's the way the ball bounces, and there is nothing we can do?

**MR. JORGENSEN:** It's not a question of the Minister throwing up his hands at all, Mr. Chairman. The matters leading up to the appointment of the receiver are matters that are all under investigation by the receiver who has been appointed to do that task by the RCMP and by the Securities Commission itself and I am not going to attempt to second guess those investigations. My honourable friend asked if all steps had been taken to prevent this disaster from happening. I can only say that the Securities Commission attempts to take all the steps that are possible to prevent matters of this nature happening but they continue to happen, not only here but in other provinces as well, provinces that have far greater staff on their Securities Commission than does the province of Manitoba.

I suppose one could say that with the benefit of hindsight perhaps this might have been avoided although I'm not sure that I can even give that assurance. Those things do happen and they are happening everyday. As a matter of fact there are similar situations that are now being dealt with by other provinces and the provinces that have much greater staff to deal with these matters than the province of Manitoba. So to answer my honourable friend's question specifically, if something could have been done to prevent this from happening? I suppose that the answer would be yes. I suppose that could have happened but it is difficult to say that it might not have taken another form if certain precautions had been taken, or that something else might have happened. It is one of the questions that in my view is a very difficult one to define with certainty

and I certainly wouldn't want to second guess what I consider to be the adequate supervision that the Securities Commission has attempted to hold on these matters. They just happen.

**MR. DOERN:** The Minister seems to be saying that if he had a larger staff more effective action might have been taken and . . .

**MR. JORGENSEN:** Mr. Chairman, on the contrary, what I did say is that provinces that have far greater staff than does the province of Manitoba these things have still happened in other provinces.

**MR. DOERN:** Then is the Minister telling me that in terms of SMYs he feels that Manitoba has an adequate staff, or is he saying that possibly with the addition of a few more people we might be able to head some of this stuff off because there is an old saying that an ounce of prevention is worth a pound of cure and these people have been pretty hard hit?

**MR. JORGENSEN:** I'm not sure that the addition of additional SMYs, and there have been two additions, to the Securities Commission in order to carry on more thorough investigations.

I'm not going to suggest that alone is sufficient to prevent things of this nature happening. I would suggest, Mr. Chairman, that perhaps the best security against these things happening is the insurance by the investors themselves; that they have complete knowledge of where their investments have gone and complete records of the mortgages that they are investing in and a constant check on the holders of those mortgages to insure that they are sound investments. I think that in the final analysis is the only certain way that you can prevent these things from happening.

**MR. DOERN:** Mr. Chairman, could the Minister tell us how large the staff is and let's say, above and beyond, secretarial and what function these individuals have?

**MR. JORGENSEN:** I am advised that there are 16 people on the staff of the Securities Commission aside from the members of the Commission themselves.

**MR. DOERN:** And 8 are officers — 8 clerical and 8 officers?

**MR. JORGENSEN:** Yes, I think that . . .

**MR. DOERN:** Essentially I'm saying that would be a staff of 8 which would be looking at prospectuses and so on and so on.

**MR. JORGENSEN:** Yes, my honourable friend is correct. It's 8 officers and 8 clerical support.

**MR. DOERN:** Mr. Chairman, the Minister also seemed to indicate that there are criminal charges pending and that the RCMP is involved. Is that so?

**MR. JORGENSEN:** Well I think it's a little premature to say that there are criminal charges pending. I say there is an investigation by the RCMP and criminal charges will depend on the outcome of that investigation.

**MR. DOERN:** I also note in a newspaper report, December 5th, last year, in the Free Press, that said the company had been in financial trouble for at least three years because most of its mortgage loans on BC property went sour when mortgagors stopped making regular payments on the loans. So my question there is, from the time that a company is incorporated in Manitoba to the time that it goes bankrupt, does the Securities Commission or any agency of your department make some sort of regular or spot checks on companies, or is it a case of hands off from the moment it's incorporated to the moment it goes bankrupt?

**MR. JORGENSEN:** Mr. Chairman, the financial statements of the companies have to be filed with the Securities Commission and they are examined when they are filed.

**MR. DOERN:** Then does the Minister suggest that by an examination of the financial statements that problems can be detected and that in this case there was an oversight, or a filing of false information.

**MR. JORGENSEN:** The initial responsibility, of course, is with the auditors who audit the books of the company, and after . . . I'm advised that the details of its mortgage portfolio and its method of operation are not shown in the financial statements. It is just the financial statement itself that is filed with the commission, and it is given an examination. By the examination of the financial statement, it's not always possible to detect whether the company is in a sound financial position.

**MR. DOERN:** Mr. Chairman, I want to refer to some remarks by Ronald Cantlie, the legal counsel. Is he here tonight? I'm not sure who he is. I am looking at an article in the Free Press of October 4, 1979, and this is a very fascinating article by Paul Maloney, headlined Ailing Mortgage Firm Not Qualified as Loan Company. And I read you the first couple of paragraphs from that article.

It says, Winnipeg Mortgage Exchange Limited, now in receivership, appears to have been operating as a loan company even though it was not qualified to do so, says Ronald Cantlie, legal counsel for the Manitoba Securities Commission. Cantlie said the company apparently treated money it received from investors as one pool of funds, thus making it a loan company. He said Winnipeg Mortgage made full monthly payments to each investor, regardless of whether his specific mortgage was earning income or not. This indicates the company was pooling resources, rather than maintaining separate accounts.

Well, in so doing, was it in violation of its charter, or was this sufficient reason for the Securities Commission to investigate or interfere or blow the whistle, or take court action against them, or was this not known until the company went belly-up?

**MR. JORGENSEN:** Mr. Chairman, none of that information was known to the commission until after it was placed in receivership and the investigations began.

**MR. DOERN:** It also says in this article, and this is the part that I find particularly intriguing and sad, it said that There are requirements that such companies be members of Canada Deposit Insurance Corporation,

a Crown agency which insures each depositor against losses up to 20,000.00. Cantlie said, the paid-up capital requirement is a major undertaking and it, Winnipeg Mortgage, didn't have that kind of money. Now, I'm asking the Minister here, why don't Manitoba companies of this kind, why aren't they required by legislation to be members of the Canada Deposit Insurance Corporation. I assume that, if they had, that a vast majority of investors would have been covered for their losses. So I ask the Minister, why don't we have this kind of legislation in effect?

**MR. JORGENSEN:** Mr. Chairman, the short answer to that question is that they would not have qualified under the terms of their charter for membership in CDIC.

**MR. DOERN:** I see. Can the Minister indicate why not or what sort of qualification one requires?

**MR. JORGENSEN:** It's not registered as a loan company.

**MR. DOERN:** I see. So they were acting as a loan company, but they weren't a loan company?

**MR. JORGENSEN:** I hesitate to take my honourable friend's word for it.

**MR. DOERN:** Right.

**MR. JORGENSEN:** All I can say is those are the matters that are currently under investigation, and I don't want to second-guess the investigation. I presume that those facts will be revealed when the final report has been submitted.

**MR. DOERN:** Neither the Minister nor I are lawyers and I'm not pretending to be, and I know he's not pretending to be. But they were acting as a loan company, and they either were disqualified on that account, or if they were a loan company, they should have been forced to have had this type of insurance; if they had, unfortunately, we wouldn't have that problem.

Mr. Chairman, the other thing that I note here in particular, and this is really a vital point here, and that is the fact that the Winnipeg Mortgage Exchange made monthly payments to each investor, regardless of whether that mortgage was earning income or not, and I quote a paragraph saying, Investors, meanwhile, were told that their money was going into specific mortgages and they received documentation to this effect.

Now here is the problem. This thing goes to court, it's fought in court, it's fought out of court, it eventually goes to Queen's Bench, and the judge rules, Justice Scott Wright rules that the company's trust declarations, I'm quoting from another newspaper article, April 1, 1980, Tribune, John Barr, Law Courts Reporter, And the Judge rules that investors may take action alone. And here is the key paragraph. It says, Mr. Justice W. Scott Wright wrote that the company's trust declarations, which detail ownership of specific mortgages, are valid, and those investors with declarations do not have to pool their returns, although they must declare their intent to pursue an independent course within a time period to be determined.

Here is the dilemma. The question was whether all investors, some 850 or 940, according to this article,

whether these people should pool their shares or whatever, and split in proportions to what they invested, 15 million. If that had been done, one result would ensue. Now, what happens, the Judge says, since some of you have specific mortgages, you should then declare those mortgages and we'll look at those first, you are first in line, you will get according to those certificates, and Mr. Cantlie, who for the moment, I'm taking his word and his advice because he seems to make a lot of sense here, he says this was a big fake, that what happened was that these people have pieces of paper saying you own such-and-such a mortgage on such-and-such a property, and they're going to go into court with their lawyers, and on the basis of the Judge's decision, they're going to get money on the basis of those phony documents. So somebody's wrong here. And there is deception at work here. The deception comes from the company.

My concern is, has the Judge been deceived as well, in the sense of, has he been led to believe that these certificates are meaningful. Because if they are not meaningful, then I say that you should send your legal counsel into court and he should overturn this judgement, or challenge this judgement, because the money is now going to be handed out on the basis of phony documentation, and maybe, maybe this has not been drawn to the attention of the court. And if so, it strikes me that this decision should be appealed by the government and/or the investors, and that the logical solution would be to pool all these resources and then, based on the investments of the various people, they should then receive their fair share.

So I ask the Minister, in view of what his legal counsel has said, should there not be a challenge, or has this matter already been fed into the courts to be taken into consideration by the Judge in his judgement?

**MR. JORGENSEN:** Mr. Chairman, I can only say that the matter is still subject to appeal, and whether or not that appeal will take place, I am in no position to tell my honourable friend.

What Mr. Justice Wright said in his decision was that certain or some investors can pursue their specific assets, if they can be identified. And my honourable friend has raised the question himself as to whether or not they can be identified. That remains to be seen, and I don't know. That is one of the matters that is under investigation.

**MR. DOERN:** Mr. Chairman, I assure the Honourable Minister that individual shareholders in this company are under the illusion, they have pieces of paper that indicate to them that they own shares in such-and-such little patch of land in such-and-such a place, and that those documents may be phony and may be no more than pieces of paper. So I'm saying to the Minister, to try to be quite specific here, did Mr. Cantlie appear in court or did he give his opinion to the court in regard to this matter?

**MR. JORGENSEN:** I might say, to my answer my honourable friend's question, Mr. Cantlie did not appear in court himself. He was in hospital at the time. Our special counsel who had been hired because of Mr. Cantlie's illness did appear on behalf of the Securities Commission.

**MR. DOERN:** Did that gentleman make the same points that Mr. Cantlie made, namely that the company was not qualified as a loan company?

**MR. JORGENSEN:** I'm advised that those particular points were made by counsel acting for the receiver.

**MR. DOERN:** Well, then I have to say to the Minister that I would urge him, as forcefully as I can, that if the Judge has ruled that people can now take those pieces of paper and make specific claims, that perhaps he should appeal that judgement, in the sense of go into court on behalf of these investors and reiterate the point that these pieces of paper are worthless, and that the people who are relying on them and being told by the court to go in on that basis and make their case, that this is erroneous, and that the only course of action which would make sense would be to pool the assets of the company and to divide them up, based on the amount of money put into the company.

**MR. JORGENSEN:** That decision is one that will, I presume, have to be made by the investors and indeed, I am given to understand that they are considering whether or not the decision of the court should be appealed.

**MR. DOERN:** So is the Minister saying that even if he believed, or even if he followed the logic of Mr. Cantlie, which I am following, that he would not, on behalf of all the people of this province and on behalf of the investors in the Winnipeg Mortgage Exchange, is the Minister saying that he would not initiate such an appeal?

**MR. JORGENSEN:** I'm sorry . . .

**MR. DOERN:** I'll ask the Minister again, I realize he is conferring. I am saying that, given Mr. Cantlie's argument, which I accept or it seems to make eminent sense, I'm saying, would the Minister, on behalf of the people of Manitoba and on behalf of the investors in the Winnipeg Mortgage Exchange, would he not consider challenging or appealing the judgement, based on the argument that these certificates, which are now going to be the basis for a division of assets, that these certificates are invalid, and consequently the judgement should be altered to a pooling consideration, rather than given out on the basis of some fabricated paper which the company passed around?

**MR. JORGENSEN:** Mr. Chairman, the receiver is acting on behalf of the commission, and my understanding is that the receiver does not, himself, have the right to appeal. That decision rests only with the investors and the people that are concerned.

**MR. DOERN:** Are there no circumstances under which the Minister would involve himself in such a decision? I regard this as an extraordinary state of affairs, and I'm saying, is the Minister saying that under no circumstances could he intervene, it's strictly up to the investors, it is not up to his department or himself?

**MR. JORGENSEN:** Mr. Chairman, when the receiver is appointed, he is an officer of the court, and we assume that the receiver is acting on our behalf. I don't know how much further I can go beyond the action that

is being taken by the receiver himself. I think it would be improper for me to intervene.

**MR. DOERN:** At this point in time, would it be possible for him to release Mr. Cantlie to appear either in court or before the receiver and to reiterate his case?

**MR. JORGENSEN:** No, Mr. Chairman, I don't think that is possible.

**MR. DOERN:** Mr. Chairman, I don't have anything more to say here, other than it just strikes me that the basis of the judgement, that somehow or other the case has not been forcibly enough made and that if it is true that investors received certificates which were nothing more than pieces of paper, then it is tragic that on that basis the assets of this company are now going to be divided and a lot of people are going to get hurt. They are going to be claiming money on false pretenses, not of their own. They are being told by the court to claim their money on that basis and they will, and unfortunately, concomitant with that is the fact that they are now going to go with their lawyers, and there's going to be dozens and dozens and dozens of lawyers involved in this case and racking up large and substantial fees, and a lot of these assets are going to be dissipated in legal fees. If the decision were the other way, then what would happen is that there would be minimal, if any, legal fees, and the 15 million would be distributed to the investors; but because of the way things have worked out a score of lawyers is going to be involved, millions of dollars will go to legal fees, and people will presumably, if your legal counsel is correct, they will presumably be claiming their money on the basis of worthless paper.

**MR. JORGENSEN:** Mr. Chairman, I don't want to place myself in the position of making decisions for anyone, but it appears to me as though the decision of the court will be appealed. If that is the case, then the receiver will be arguing the case for pooling once again before the court, and that is as far that I think I can go in order to assist my honourable friend.

**MR. CHAIRMAN:** The Member for St. Johns.

**MR. SAUL M. CHERNIACK:** Thank you, Mr. Chairman. What we have been told earlier this evening is that financial reports are required to be filed by companies such as were being discussed, but that the mortgage investment portfolio and the collections and distribution of the funds is not part of the report. In the light of that fact, does the Securities Commission feel that there ought to be that kind of additional information filed and made available for review, in the expectation that it will reveal sufficient warning symptoms to involve the Securities Commission earlier than when it becomes public knowledge in the way it has become in this case?

**MR. JORGENSEN:** It seems to me, Mr. Chairman, in response to my honourable friend's question, that information he seeks should be provided to the investors so that they are then in a better position to know whether or not their investments are sound. We are looking, and my understanding is that the Securities Commission is looking at ways to make sure that there is a great deal more revealed in the investments, as

much as possible. I am not going to suggest that this sort of thing can be eliminated completely but as much as possible that we try to prevent recurrences of this nature happening again.

**MR. CHERNIACK:** Mr. Chairman, the Securities Commission would not be necessary, I assume, if all investors were sufficiently aware and knowledgeable and sophisticated to be able to protect their investments without the intervention of the powers of the Securities Commission. Since the Securities Commission is still functioning, and since it has been functioning for many many years, I assume that this government and this Minister have accepted the role of the Securities Commission as a supervising, and I would use the word policing, authority over the types of companies which offer securities to the public. That being the case, does the Securities Commission have sufficient manpower to do the job adequately, or would it want to have additional investigative facilities, means, made to it in order for it to become more capable of carrying on investigative inspections.

**MR. JORGENSEN:** A few years ago a request was made by the Securities Commission, I believe it was in 1976, for additional investigative staff, which did not materialize. We increased the investigative staff last year in order to comply with that particular request. Whether or not that is sufficient, I suppose I have to leave that to the judgement of the Securities Commission. If they feel that they require additional staff in order to carry on their functions properly they will make an application to the government to have that staff increased. I am not sure whether they consider that staff as adequate at the present time or not. I am informed that their activities are at a unusually high level at the present time. Whether or not that activity is going to continue at its present pace is something that the Commission is not sure of as yet. If it does continue, I am informed that they will be asking for additional staff.

**MR. CHERNIACK:** Mr. Chairman, would the Commission describe itself as being complaint-oriented or self-motivated and self-starting in its investigations?

**MR. JORGENSEN:** I am informed that they consider themselves to be complaint-oriented at the present time, because there is a Registrar, a Deputy-Registrar and three girls that work in this particular branch.

**MR. CHERNIACK:** I just want to see if the Minister is going to backtrack from the way he described the people who work for him, and give him another chance to describe — just who are these people that are employed in that role?

**MR. JORGENSEN:** Three secretaries.

**MR. CHERNIACK:** You mean clerical help?

**MR. JORGENSEN:** Clerical help.

**MR. CHERNIACK:** The reason that I ask that, Mr. Chairman, is that I thought the Minister, I think I even helped him say that there are 8 officers and 8 clerical in this branch we are talking about. Could he then spell out just what their roles are and how many there are?

**MR. JORGENSEN:** The mortgage brokers, part of that staff works under the mortgage brokers in the mortgage dealers section, and they are pulled in from time to time when the workload gets to the point where they are required. So there is a pooling of staff as required, from time to time.

**MR. CHERNIACK:** Mr. Chairman, as an example, we discussed in the House recently, in the question period, the investigations made by the department in connection with interest rates charged by loan companies, I think. That would not come under this branch, I don't think. So that what we're talking about here is the securities aspect, such as the Winnipeg Mortgage Exchange, and the Mortgage Brokers Act, for which apparently there is a total of 8 investigative officers. Is that correct then?

Mr. Chairman, I would like to point out to the Minister that in the last few years, and I would really say number of years, we have been subject to an inflationary trend which has made all securities appear to be much more attractive than they may really be; that people have been investing in real estate and in mortgages; and mortgages result from real estate investments, all in the expectation that inflation would generate more and more money to pay higher and higher interest rates and the securities are good; and now I think we are beginning to see a plateau and even a form of downturn in that respect. It seems to me that instances such as we have heard described this evening may become evidenced more rapidly and in greater number, mainly because of the fact that the opportunity, the liquidity of money that makes it possible for someone to cover losses, is gradually going to disappear. This symptom that apparently, that I have heard described by the Member for Elmwood today and which I haven't really studied very much, is something that has happened over many many years. In the last century, there have been famous indications of how people are lulled into a sense of security mainly because their payments keep coming and they don't look back behind them to see who made them and actually whence they came. As a result, I would be very critical of a department such as the Securities Commission foreseeing what I think is a probability of more trouble. I would be critical of that department if they did not demand the resources with which it could go out and start making independent investigations. I suspect it would not be so difficult, especially when you get filing of financial statements, to start spotting which companies ought to be investigated even before the complaints come, because by the time they come there's disaster — I think that's the word the Minister used. I would feel pretty bad, Mr. Chairman, after all we are now reviewing the requirements of the government for this current fiscal year for carrying on their operations and I think I would be remiss, as a member of this committee, not to point out to the Securities Commission and to the Minister that I believe that we're going to see more problems. We are certainly seeing more foreclosures, more bankruptcies, and I am not making a political speech because I am not laying blame, but I am saying we can see that happening and the evidence that may be available may still be hidden or covered up by the fact that there is still that flow of money that may be taking place. I would feel it remiss on my part and remiss on the Minister's part if he agrees with me, and only if he agrees with me, about the potential problems, if that

commission were not assured of adequate staff to do the job, not on complaint-orientation alone or reaction on complaints only but to start looking.

For example I know the people in the Exchange, I know Mr. Cantley, I think it's hard to hold him back from going in to look and to find and to seek the truth. I would like to think they have all the resources they need in the protection of the consumer and I say that full well knowing that one can always say, well, it is their own lookout, they are the investors they should be protecting themselves, let the investor beware. But the fact is we have the Securities Exchange Commission; the fact is that although I do believe this Minister is more inclined to leave it to the investor to protect himself; he is more inclined to let companies regulate themselves, industries regulate themselves, he has this responsibility. Either he accepts it, and I believe he does, in which case he should go all the way and see to it that they are well served with the support staff they need, or just react and let it happen and that's why I asked the question he answered improperly. I said: Is the Securities Commission satisfied with it's staffing to be able to do the job, and he said: If they aren't they'll let me know and then they can ask for more. I want to urge on them and on the Minister to consider what I think is the strong possibility that we're going to be into trouble and we'd be much better off to start now searching out these various things. Okay now having said all that the Minister will respond.

I have a more direct question, is the commission capable from it's present information or the present filing, is it capable of being selectively investigative without waiting for complaints in order to be able to spot certain soft spots that should be looked into?

**MR. JORGENSEN:** I am advised that there have been investigations carried on in four other since this particular incident took place and the four other mortgage companies that are registered. Now as I said earlier if the Commission feels that they require additional staff to carry on their functions. I certainly will take those requests under consideration but in the meantime I'm not too sure that the addition of staff alone is going to solve the problem. I think my honourable friend is aware that in the province of Ontario there is quite a large staff in the Securities Commission in that province and things of that nature are happening there, as well, on a much greater scale than happened under the Winnipeg Mortgage Exchange, and I take no great comfort in that.

But an examination of the legislation and the regulations is also being proceeded with to attempt to determine whether or not the legislation and the regulations are adequate to meet the very conditions that my honourable friend has been talking about. I can assure him that the commission is aware of that change, that down turn in this particular area. They are attempting to meet that situation. How adequately that can be done in the short time remains to be seen, but they are aware of it and they are attempting to meet the situation.

**MR. CHERNIACK:** Mr. Chairman, one are the values of having these meetings open to the public and therefore open to the press is that there can be adequate reporting of the concerns of legislators and of government. It seems to me that instances such as the Winnipeg Mortgage Exchange would make people concerned about their own forms of investment to the

extent where they would start looking at them and maybe coming to the commission and asking for a review and an investigation.

I should tell the Minister I heard him on radio today. I don't know if it was an interview he gave today but there was an interview today on the marking of the matter raised by the Member for Logan some time ago, dealing with prices to the consumer in markets, universal pricing. I would like to tell the Minister that I think that I, for one, would fault him in no way if he became much more publicity seeking in the line of the work he is doing in his department, much more than other Ministers might be doing in their departments. I think that the public has to be made fully aware of the services offered by the government and by this department in assisting the consumer. I think that is something that should come about and I am saying that I hope that reports of this type are made available on a broad scale so people would know where to turn for help because many don't. Many get sucked in by the belief that they can get a bigger return than investing in the bank and before they know it they may well be deeply involved and without the knowledge of where to turn and I think they ought to know. I don't know the extent to which there is sufficient public awareness being generated from the department.

So I am saying this not in any sense of criticism but rather in a sense of encouragement that this department's work should become better known with an invitation to people to consult the department, regardless of whether they really know they have a problem, in the hope that we can come in ahead and I hope that next year there won't be the discussion at this committee saying, well, you should have had more help and why didn't you get more help and that kind of a response. Now, unless the Minister wants to respond to this, I want to move to something else.

**MR. JORGENSEN:** My only response to that, Mr. Chairman, is that I apologize for my modesty in the past and I'll endeavour to correct that flaw in my character.

**MR. CHAIRMAN:** Mr. Chairman, I must say I was not discussing the flaw in his character. If I were, I would have other things to say and I'm not talking about his own modesty but the role of his department. I would rather see Mr. Mason, Mr. Peden and Mr. Cantley out in the open talking about what could be done rather than the transitory stage of a Minister who may be shifted from department to department and from side of the House to side of the House.

I want to refer the Minister to the comments he made regarding The Mortgage Brokers Act and it's application to the FLIP mortgages, a matter raised some time ago. Let me elaborate, I think the Minister would like that. I have here a report which the Minister sent to me and which was actually a reply to a question I asked some time ago, about over a month ago, and the last paragraph of that reply reads, and I'll quote it, Nevertheless, our departmental staff are of the opinion, grammatically it should be is of the opinion, having reviewed the disclosure requirements under The Mortgage Brokers and Mortgage Dealers Act, that it would be advisable to require that some additional disclosure be made to a FLIP mortgage borrower to insure that there is no possibility of misunderstanding. The registrar under The Mortgage Brokers and Mortgage Deal-

ers Act will pursue this matter. There is one more sentence that I had better read now, rather than hold back. The additional disclosure might be arranged on a voluntary basis if that can be done satisfactorily, otherwise any supplementary disclosure deemed desirable will be provided for by way of new regulations.

Since this is over a month old, I would like to know what has been done and whether the Minister is inclined to rely on voluntary co-operation or whether he is prepared to make changes in the regulations.

**MR. DEPUTY CHAIRMAN, Jim Galbraith (Dauphin):**  
The Honourable Minister.

**MR. JORGENSEN:** I am informed that just today the people who have a franchise to deal in FLIP mortgages have met with the commission with a view to finalizing the kind of disclosures that will be necessary under the terms of their agreement and it will be appearing before the commission for approval when they next meet, which is tomorrow morning.

**MR. CHERNIACK:** Mr. Chairman, I'm glad to hear that. I'm just surprised that the word have a franchise. You mean that no individual can just go ahead and set up a mortgage scheme such as the FLIP arrangement? Does it have to be franchised? In other words is there a limited group of people that may lend money on this scheme?

**MR. JORGENSEN:** My information is that it is the computerization of the program which is done in the United States that involves the franchise part of this operation. Any mortgage broker in the province can deal in FLIP mortgages upon application to the franchise holder. Any member of the Real Estate Board can deal in these mortgages once they have approval from the franchise operator.

**MR. CHERNIACK:** Mr. Chairman, I read from the clipping before me that there are 290 broker agency members of the Winnipeg Real Estate Board, so that's a pretty large group.

**MR. JORGENSEN:** They may not all want to deal in those mortgages.

**MR. CHERNIACK:** No, that's right, but it does mean that there has to be a form of policing and that's why I was surprised to hear of a voluntary approach, because of 290 people, are they all going to volunteer to participate in giving sufficient disclosure? Can we not expect that one of the 290 might not do it voluntarily and might have to be regulated into doing it?

**MR. JORGENSEN:** Up to this point there are only two that appear to be interested in dealing in FLIP mortgages and that's the Inland Trust and the Toronto Dominion Bank, so it's not the wide field that my honourable friend seems to feel it could be.

**MR. CHERNIACK:** Is the Minister now saying that a mortgage broker, one of the 290, could not set up a mortgage on the idea of the FLIP scheme, which means a reduced interest rate at the beginning and an increase later on? Is he saying that they must be franchised to do it or can't they do it with manual operations rather than one single computer in United States?

**MR. JORGENSEN:** My understanding is that it has to be franchised in order to use the computer system and to do it without the computer system is an enormous undertaking that it is doubtful that anybody would undertake.

**MR. CHERNIACK:** All right, so the Minister says; I don't have the knowledge to challenge that.

I've been reading about the concerns expressed on the use of what they call the Rule of the 78s. Now the Minister doesn't know that rule and I'm not that familiar with it but it has to do with the formula devised for the calculation of interest and, as I understand it, comes into play on prepayments and there have been cases apparently recently in United States, where it was shown that the Rule of 78s was used by banks, by very sophisticated lenders to the disadvantage of the borrower when it came to prepayments. It's been rather upsetting in the United States to find that there have been judgements that have rejected the right of the lenders to apply that rule, of which I just have a superficial knowledge.

If the department is not familiar with it, then the least I would expect is an undertaking from the Minister that they will investigate it, if only on my word, that that is apparently a problem and, since they are involved in the credit granting review, that if they can't tell us about it now, I hope that they'll know enough about it to be able to tell the public very soon as to the use or abuse of that formula, which I do believe is common in lending on this continent. I mean, I know it is on this continent; I believe it's right in this province that it is being used. I have heard of it being used in small loan companies. Apparently it has been accepted by the, what is it, the federal . . . insurance, some sort of a method used. Mr. Mason, I think, is shaking his head at me and I accept that. He should know much more than I do about it.

**MR. JORGENSEN:** I wonder, Mr. Chairman, since that subject is one that is foreign to me if the committee would mind if Mr. Mason replied to that question.

**MR. CHERNIACK:** I would very much like to hear that, Mr. Chairman.

**MR. CHAIRMAN:** Mr. Mason.

**MR. J. MASON:** Mr. Chairman, not to be controversial but it does not come into play on small loans. Small loans are calculated on a daily interest rate basis and there is no pre-computation of charges, therefore there is no question of the Rule of 78s being used in rebates. Where the Rule of 78s comes in is in the calculation of rebates on pre-computer charges.

We have recognized deficiencies of the Rule of 78s in Manitoba since 1970, as a matter of fact, with the inception of The Consumer Protection Act. We do permit the Rule of 78s which is fair, provided all payments are made exactly as they are pre-scheduled and then there is a prepayment. Then you can apply the Rule of 78s and it's relatively fair although there is some minor cost to the borrower. Beyond that, for instance if there is a substantial prepayment at any time prior to the full prepayment, we require the lender to use what we call the sum of the balances method which is actually a monthly balance outstanding basis. We do not permit the Rule of 78s to be used.

**MR. CHERNIACK:** Mr. Chairman, I'm very glad to hear that and obviously Mr. Mason knows enough about it to make it appear as if he knows what he is telling us to be so and I accept that. Now he says we make them use some of the balances. How do you make them? How do you know that they're not doing it some other way? How does a borrower know that he is entitled to that kind of protection that Mr. Mason describes?

**MR. MASON:** Well, we do that largely through our audits. As a matter of fact, it's very odd that sometimes one lender will be paying out another lender and will ask that lender for a payout on the account; if the prospective lender thinks that the payout is incorrectly calculated they'll call the bureau and we will check it out and if it is an improper calculation then we certainly see that it is properly calculated; but we also pick up a good deal of this in our audits.

**MR. CHERNIACK:** Mr. Chairman, I was coming to this question. What percentage are your audits? To what extent do you cover; how often would you go into any company; how many loans would you review in a year compared to the total loans outstanding in a year?

**MR. MASON:** Our audits are undertaken — we don't go out and, for instance do, say, a regular audit. We don't have a schedule of audits for finance companies or lenders, generally, but if we get a series of complaints that indicate a practice within that organization, or within that branch, that shows there might be a deviation from the requirements of the Act, then we go in and we do a total audit and it's in this way that we have been catching up with a lot of these misdemeanors and errors.

**MR. CHERNIACK:** Mr. Chairman, may I ask if there is sufficient being done to satisfy the conscience of the department?

**MR. JORGENSEN:** From our point of view, yes, Mr. Chairman.

**MR. CHERNIACK:** Mr. Chairman, may I conclude by thanking the Minister for introducing his Deputy in this way; it's not very often that it is done and I think it's a step in the right direction and I'm glad he did it. I hope it's done again more often by all governments, including the next one.

**MR. DEPUTY CHAIRMAN:** 3.(c)(1)—pass; 3.(c)(2)—pass; 3.(d)(1)—pass.  
The Honourable Member for Logan.

**MR. JENKINS:** Thank you, Mr. Chairman. This is an item dealing with the Public Utilities Board. There is a considerable book here before us — I assure the Minister I'm not going to go through this page by page or we'll be here till Christmas. What I would like first, since we have listed here the members of the board, if I could have the terms of office that the board are appointed for, that's the present board members, and what are the remunerations of the board members at the present time.

**MR. JORGENSEN:** I'm advised that they are appointed, as my honourable friend is probably aware, on a part-time basis. They are appointed on a part-

time basis at pleasure with a full-time chairman, and their remuneration on that part-time basis is 7,800 a year.

**MR. JENKINS:** Then I take it from the Minister that the chairman is a permanent appointee, is he is a civil servant?

**MR. JORGENSEN:** Yes.

**MR. JENKINS:** He is a civil servant. I thank the Minister for that information. One of the problems, I guess, in today's world with boards and commissions, that they don't hold a very high repute with the public at large. Perhaps it's the times that we are living in, a constantly shrinking non-renewable energy field. The public is very sceptical of just what functions the boards, especially boards like the Public Utilities Board, and I know it's not under the purview of this government or this Minister but the National Energy Board, in particular, is the point in case where not too many years ago they were assuring the public of Canada that we were self-sufficient in non-renewable energies for quite some considerable time. Now we find ourselves in a predicament, I think the Minister will agree with me that we are in some forms of non-renewable energy forms becoming a very sticky wicket. It seems every two months or so you hear either on the radio or when you receive your energy bill, you find a little note in there, Note: There's an important message inside and, lo and behold, you find that your paying another increase in the cost of energy to heat your homes.

I can quite see why many people have told me, just what is the function of these boards because it seems that whatever the vendors of this non-renewable energy, which is mainly natural gas that is being burned here for the heating of homes in the city of Winnipeg and in a considerable portion of some of the rural parts of Manitoba as well, you get a nice explanation. This is only going to cost you another, for the average home, 29 per year. But when you are faced with these, as I say, almost every two months of the year it makes you wonder just what kind of a thing is going on, because homeowners are being pushed; they're being urged to insulate their homes, to do all sorts of things. There's nothing wrong in that at all but to recoup the costs of what you're insulating for which, in some cases, are considerable and then to be faced on top of that with, like I say, almost this constant increase in the price of the gas utilities when we find that the profits of the vendors of this commodity are, while I'm not saying that they're reaping windfall profits, but they must be substantial profits or else they would not be in business. It makes one really wonder just how effective are public boards of utility in controlling the costs that are being passed on to the public. The homeowner is the last one on the line, and there's really nothing, once the Public Utilities Board has dealt with it, that he or she can do in the costs of heating. Because if you wanted to switch to another energy form there are not too many other forms of energy that you can switch to. You can switch to electric heat; well, that's not any cheaper than what you're using now. You could switch to coal, but it's very hard to find anybody that's selling coal these days, and I don't know if people would be prepared to go back to that type of heating. But I must say, in all sincerity, to the Minister that some of the complaints that I have been receiving I can assure you that the Public Utilities

Board is not held in high esteem by the public whatsoever.

**MR. JORGENSEN:** Mr. Chairman, Perhaps my honourable friend is aware of this, the Public Utilities Board sets rates on gas that is not produced in this province, as I'm sure he's aware, and sets rates on those distribution companies that have a monopoly where there is no opportunity for competition and that particularly refers to the gas companies in this province which is the one he is referring to. Since the gas is produced in another province they have no control over the price, so when a wellhead price increases to the gas distribution company the general practice is that they apply to the Public Utilities Board for an increase to meet that increased cost that they're incurring in the purchase of gas. They have to justify those increases and they may request increases somewhat beyond. If their costs of distribution have risen they will also include in that application an increase to cover those increased costs, in addition to the increase in the cost of the gas itself. So, it's on that basis that the Public Utilities Board deals with applications for increases. I suppose it's one of the hazards that the board has to live with, that they are the ones, from the point of view of the consumers, that get the blame for granting the increases. But I think my honourable friend understands that the increases that they're charged by the producers can only be passed on or the company just simply goes out of business.

**MR. JENKINS:** Yes, I quite realize that. I certainly would not want to be a member of the Public Utilities Board in this day and age but, I guess again, it boils down to the lack of a national energy policy. And again I come back to the question, because it's practically tied to the National Energy Board, again, just how much can the public of Canada put faith in the predictions of the National Energy Board that are now telling us in the field of natural gas we have considerable amounts of gas that will last us well into the 20th century, when less than 10 years ago they were telling us the same thing in light oil and not dealing with the heavy oil that's on the market today. They're the people that also allow the international sales, which are mainly to the United States of America, of this non-renewable energy and, you know, down the pike somewhere if an energy crunch comes we may be told by the same National Energy Board and that in turn will reflect on the Public Utilities Board itself on the decisions that they're going to be faced with when the cost of this commodity rises. You know, hindsight is — and I think the Minister will agree with me — is always 20-20. Perhaps if the National Energy Board could make its decision or make its pronouncement that it made approximately 10 years ago in the self-sufficiency that we had in another form of non-renewable energy I, for one, and I think that there's many people out in the public in general.

I think back to a program of Patrick Watson's just last winter when I think he was dealing with this topic with the then Minister of Energy and Resources in the previous federal government, dealing with the then proposed sale of natural gas to the United States, just how much credence can we put in the assurances that we are receiving from the National Energy Board that this commodity that we are being told is there for into the Twentieth Century in the known proven fields that we

have today. And, as I say, we could, 10 years from now or maybe even less, if the crisis that is developing in the middle east that may make other demands, industry is now already talking of using natural gas as a propellant for the automobile, which again may reduce our self-sufficiency in this product in the very foreseeable future. I know that it puts the Public Utilities Board, which deals only with the commodities here in Manitoba, and I know that the commodity that we are using is not one that we have control over, it is produced in another province or two other provinces in the main, and fed into a pipeline here into central Canada, here in Manitoba.

We all know that there are proven fields elsewhere but the cost of moving that commodity onto the market is going to be perhaps just as prohibitive as the costs that we're looking at for the development of the heavy tar sands in Alberta for another form of energy.

So I just draw this to the Minister's attention that the public, as I say, are very very skeptical of boards and commissions these days. I think perhaps the board that has really been the one that has seen the disenchantment of the public with the functions of boards and commissions has been the National Energy Board in Ottawa which has really, in my estimation, done a terrible job. It hasn't done the job that I think that it was set up to do. It was only after the last Arab-Israeli war, when the middle east put the squeeze on and the oil producing countries put the squeeze on, that the National Energy Board, lo and behold, came and told us then that we only had known and proven resources of oil for the next 10 years. And just what credence can we put into the pronouncements that we are hearing from the National Energy Board? It is not one that I have great hope and faith in, given their past track record.

**MR. CHAIRMAN:** 3.(d)(1)—pass; 3.(d)(2)—pass.

Resolved that there be granted to Her Majesty a sum not exceeding 1,504,100 for Consumer and Corporate Affairs and Environment—pass.

Resolution 37, 4.(a)(1) — the Member for Burrows.

**MR. HANUSCHAK:** I note that 4.(a) is the Communications Branch and the next one we'll be coming to is the Information Services Branch. The titles would seem to suggest some similarity between the two. Could the Minister explain the role of the Communications Branch and how it differs from Information Services?

**MR. JORGENSEN:** The Communications Branch is that branch of the department that deals with Public Communications. It deals with what is a growing area of communications, public TV and things of that nature. The Information Services Branch is the branch that is located in this building. It prints the Information Service Bulletins that I'm sure my honourable friend is familiar with.

**MR. HANUSCHAK:** But those, too, are public communications.

**MR. JORGENSEN:** The Communications Branch is essentially the office of the director, which supervises the operation of the remainder of the department.

**MR. HANUSCHAK:** I note, Mr. Chairman, that there is a reduction of 8,000 or so.

**MR. JORGENSEN:** Two staff positions have been eliminated in that particular department.

**MR. HANUSCHAK:** Will that result in a reduction level of service?

**MR. JORGENSEN:** No, Mr. Chairman.

**MR. CHAIRMAN:** 4.(a)(1)—pass; 4.(a)(2)—pass; 4.(b)(1)—pass; 4.(b)(2)—pass; 4.(c)(1) — the Member for Logan.

**MR. JENKINS:** Yes, Mr. Chairman. The Advertising Audit Office, and I really don't know how to deal with this because I think we could pass (1) and (2) unless some of my colleagues have some questions; the questions I have would be on (3) in the Public Sector Advertising.

**MR. CHAIRMAN:** 4.(c)(1) — the Member for Elmwood.

**MR. DOERN:** Mr. Chairman, I'm just not clear as to what the function of this department is. I mean, what do they do? What do they audit? What do they look at?

**MR. JORGENSEN:** It's a branch of the department that my honourable friend should be familiar with because it was his government that set it up. And the purpose of that department is to buy advertising space for the various departments of government and the Crown corporations on a centralized basis, and make sure that the best value for the advertising dollar is being achieved.

**MR. DOERN:** Mr. Chairman, I believe that the Conservative Party of Canada, if my memory serves me correctly, use only one advertising agency. I might be wrong about that but I don't know if it's the Conservatives or the Liberals. Now I'm asking the Minister, in terms of the various agencies in Manitoba, does the provincial government use only one agency, or can he indicate what agencies are used and what sort of percentages are awarded to them?

**MR. JORGENSEN:** The Advertising Audit Office acts in the fashion of a bid office. The advertising agencies do the creative work and the work is then put out for tender, to ensure that the advertising that is done by government is done at the lowest possible cost. I don't think there's any restrictions on what advertising agency can submit a bid to the Audit Office. If they happen to be the firm that's got the job or presents the best value for the dollar and the best type of advertising for that particular branch of the department, then their bid is accepted. All the advertising is channelled through the Advertising Audit Office.

**MR. DOERN:** Well, how was the decision made, for example, the commission I assume is the same; everybody gets the same commission. So it's only in some qualitative sense that you're judging these people. I assume that you're not asking them to undercut each other. They all get 15 percent or whatever. Are we talking about percentages? Are you talking about quality of artwork, or what?

**MR. JORGENSEN:** I'm advised that they are paid a fee for their presentations and it's on the basis of that presentation that their work is examined and rejected or accepted, depending on the quality of that work or, in the opinion of the Advertising Audit Office, whether it's the type of work that they would like to have done for that particular department. Over a period of years, they become very expert in selecting the type of advertising that they feel is best suited for a particular department.

**MR. DOERN:** Now that Bill 2 is on the verge of passing the House, there's going to be a requirement for more advertising in the French language and I was just wondering whether the Minister has money in his estimates to cover possible higher expenditures for publication of government announcements, maybe pamphlets, advertisements, etc.

**MR. JORGENSEN:** If there is, it would not come under the Advertising Audit Office. Pamphlets put out by the department are not channelled through the Advertising Audit, it is in Consumer Communications.

**MR. DOERN:** Is that in this department or is it under Queen's Printer when you're putting ads in the Free Press and the Tribune, etc., where would that be?

**MR. JORGENSEN:** That's the Advertising Audit Office.

**MR. DOERN:** So I'm saying again, wouldn't the Minister have to have additional moneys allocated? I mean, for instance, let me ask him this question. Let's take routine ads put in the Free Press and the Tribune about the fact that the Legislature's getting into session, the fact that maybe there's tenders from the Department of Public Works being called, etc., etc., etc. Isn't this all going to have to be duplicated now? Do you anticipate a doubling of expenditures or for a specific kind of advertisement, a doubling of expenditures?

**MR. JORGENSEN:** To my honourable friend, I'm not sure that I understand the purport of my honourable friend's question. But as you will probably notice under the Advertising Audit, subsection (3) deals with an amount of money that is appropriated for the purpose of advertising. And two lines below that on subsection (4) you will notice Less — Recoverable from Departments and Agencies. That amount is then recovered, depending on the department that does the advertising; it is recovered from that department. The 2,060,000 is the amount that the government has allocated for advertising in that particular year. It's the kind of routine that has been carried on since the inception of the Advertising Audit Office.

**MR. DOERN:** I'm saying again to the Minister, he's not anticipating any change in the amount of money being spent.

**MR. JORGENSEN:** I didn't catch the question.

**MR. DOERN:** Well, I'm saying, Mr. Chairman, that just sort of looking ahead but in this general area here that we're talking about an unchanged amount of some 2 million. Now I'm suggesting that this bill is going to go through and that the result will be that there'll be advertisements placed in the daily papers, among other

things, that will have to be in French and in English, or at least, I'm assuming that; that there'll be advertisements published, there'll be publications and other expenditures that we didn't have last year. And I'm saying, was any allowance made to anticipate double advertising in French and English? Or is that going to be done by special warrant, or something?

**MR. JORGENSEN:** Well, Mr. Chairman, at the present time there is no change in policy with respect to advertising. And until such time as there is a change, we're assuming that it will not be necessary for us to do this kind of advertising in two languages. If the decision of the Supreme Court is such that it is interpreted that we must, then we will have to make that decision when that time comes. At the present time that policy decision has not been made.

**MR. DOERN:** I simply point out to the Minister that I believe that it says in the Bill that there will be publication and publishing and that I assume that publishing means that certain standard advertisements that have been appearing regularly over the years will now be published in the French language, therefore you will have to have more money spent in that area.

**MR. JORGENSEN:** At the moment we do carry some French advertising in *La Liberte* so it's not that it's exclusively in English, but with respect to the question of whether or not we're going to be carrying ads in both languages I again tell my honourable friend that that decision is not reached as yet.

**MR. CHAIRMAN:** The Member for Logan.

**MR. JENKINS:** Yes, Mr. Chairman. From the answer that the Minister gave the Member for Elmwood, the item — and I know we are not down on it but since we seem to be dealing with it here, perhaps we can deal with it all at one time — Public Sector Advertising which is listed here at 2,060,000, is this the agency fees that are paid to agencies, or is this the total advertising budget of all departments of government that we are dealing with here? It seems to be a small amount for total advertising when we are dealing with a budget now in excess of 2 billion that 2 million is the total advertising that the whole government does. Is this only the print advertising or is it some of the radio and audio-visual advertising that is included in this advertising that we see here before us? And in particular since he said it was agencies, does it also deal with the advertising that we see on television, maybe that question should have been asked when we were dealing with lotteries but since this is an agency of the Crown does this department audit or pass judgement on the type of advertising that we see on the television dealing with the selling of lottery tickets.

**MR. JORGENSEN:** No we don't handle lotteries, that's done by the Lotteries Foundation. This particular item deals with the time and space, this 2 million pays for the time and space of the advertising. It does not deal with the agency fees, the agency fees are paid for by the particular department that does the advertising itself, although they are channelled through the Advertising Audit Office.

**MR. JENKINS:** In other words then, this would be the total advertising budget of the government, print media, radio media, audio-visual for all departments?

**MR. JORGENSEN:** Yes, and Crown Corporations. I repeat again, for time and space. Not the agency fees.

**MR. JENKINS:** So if we wanted the agency fees for say Tourism, then the place to get them would be in the Department of Tourism. We would find that in their estimates, not in here.

**MR. JORGENSEN:** Yes, that is correct.

**MR. CHAIRMAN:** The Member for Burrows.

**MR. HANUSCHAK:** Yes, Mr. Chairman. Does (c)(3) Public Sector Advertising, does that include . . .

**MR. CHAIRMAN:** Maybe if I could retract, we maybe should get down past (c)(1); (c)(2) if the member is asking on (c)(3) and then we're up to date.

4.(c)(1)—pass; 4.(c)(2); 4.(c)(3) the Member for Burrows.

**MR. HANUSCHAK:** Mr. Chairman, does this include all advertising done by all government departments? I believe there was a similar question . . .

**MR. JORGENSEN:** It does, again, for time and space only. Not agency fees.

**MR. DOERN:** Not Crown corporations?

**MR. JORGENSEN:** Yes, Crown corporations.

**MR. HANUSCHAK:** Thank you.

**MR. CHAIRMAN:** 4.(c)(3)—pass; 4.(c)(4)—pass; 4.(d)(1)—pass; 4.(d)(2)—pass; 4.(e)(1)—pass. The Member for Logan.

**MR. JENKINS:** Yes, Mr. Chairman, could we just have a brief description of the function that this brokerage performs, from the Minister.

**MR. JORGENSEN:** The Queen's Printer is the person that puts out all government printing for bids to private printers who are then commissioned to carry on certain functions that are assigned to them.

**MR. JENKINS:** Then in other words the Minister is saying if the Attorney-General's Department had say some printing to be done, that they would pass this request on to the Queen's Printer Management and Brokerage and they would in turn call for tenders on the bids for the supplying of that type of . . .

**MR. JORGENSEN:** The Queen's Printer would accept the assignment from whatever department, say the Attorney-General's Department, place it on the bid table and the general practice is to accept the lowest bid for any particular job.

**MR. CHAIRMAN:** 4.(e)(1)—pass — the Member for Burrows.

**MR. HANUSCHAK:** Yes. In this item that's where we have the salary of the Queen's Printer, is that correct? The salary of the Queen's Printer is contained . . .?

**MR. JORGENSON:** Yes.

**MR. HANUSCHAK:** I want to talk for a moment about the role of a Queen's Printer. Now in checking the Public Printing Act I note that his duties are defined as follows: The Queen's Printer, under the direction of the Minister, has the management and control of all printing . . . and then goes on, preparatory aspects of printing etc., and I would like to suggest to the Minister that in view of the fact the Queen's Printer does have this power that perhaps he ought to establish some general guidelines for the various departments to follow in the preparation and compilation of their annual reports. I am sure you are aware, Mr. Chairman, that the style, the format of annual reports ranges all the way from just a sort of mimeographed collection of sheets put together at one end, to a very elaborate 4-colour glossy paper job at the other, such as the Crown corporations are inclined to do, and everything else in between. So perhaps the Queen's Printer could prescribe certain standards that all government departments and Crown agencies and others which publish annual reports, either of their own volition or because prescribed by statute, adhere to.

Just to give an example, Mr. Chairman, of what I mean; today we had the Annual Report of the Human Rights Commission tabled in the House. And I note has shrunk considerably in terms of content comparing it to 1977, though 1977's was just a . . . But just to point out some of the things that I have observed about this report:

Page 1, well I suppose that's customary and the Minister wants his picture there and very little else; Page 2 is blank. Page 3 The Letter of Transmittal of the Report to the Minister. Okay that's fine. Page 4 for the benefit of the Honourable Minister of Highways is blank to make it easy for him . . . Then continuing on through the report, and I am now talking about the content of the report, for example, there are now biographical sketches of the commissioners and this, on checking back has been customary for the Human Rights Commission to include and I suppose that's necessary to give the public some indication of the types of persons that perform this function. But surely I would think that the Queen's Printer . . . now the Honourable Minister for Highways is very anxious to get into the debate and I am sure, Mr. Chairman, you being a very fair chairman, you will recognize him and you will give him an opportunity to speak when the rules of a committee will permit him to. And the same applies to the Member for Rock Lake.

Surely the Queen's Printer should have a right to go through the draft of the reports and perhaps raise certain questions with the submitting department or government agency about the necessity for including some of the statements that are contained. For example, is it all that important to know that Sig Enns, the Chairman of the Commission is married and he and his wife have four children; or did you know, Mr. Chairman, that Barr Hall, the Vice-Chairman, that his boy Jonathan is in Mini-Skool. That's contained in the report. And then the next sentence He is active in coaching hockey and baseball in Fort Richmond. Well there is a grammatical point there too that the Queen's Printer should take a look at because it is not clear whether Jonathan is the one who is coaching hockey and baseball or his father. Or that Dennis Baczynsky worked during the summer months for the CNR, CPR and Liquor Control Commission and so it goes. This is the type of stuff I do not

believe should appear in the report and that's the point I am making for the benefit of the Minister of Highways and had he tabled his report prior to the consideration of his estimates I would have gone through his report in similar fashion to and pointed out some of the garbage that is contained in there but —(Interjection)— and the Member for Portage will have his opportunity.

**MR. CHAIRMAN:** One speaker at a time.

**MR. HANUSCHAK:** So in summing up, Mr. Chairman, I think that the Queen's Printer by law has the authority, in view of the fact . . . well the section of the Act states that he has the management and control of all printing. So that being so I would think that the Queen's Printer's staff should take it upon themselves to provide guidelines as to the style and the format of reports and guidelines as to content of the report, and I would urge the Minister to take this matter up with the Queen's Printer and give consideration to my suggestion.

**MR. JORGENSON:** Mr. Chairman, the suggestion that I thought my honourable friend was going to make is one that I was going to agree with and that is not necessarily the format of what is contained within the pamphlet but the size and shape of the pamphlet itself is one that I would like to see standardized somewhat.

**MR. HANUSCHAK:** I didn't exclude that.

**MR. JORGENSON:** Because I find that it is much easier to file them away if they are of a standard size. I wouldn't mind accepting that suggestion. But with respect to the remainder of his suggestion, what he is in effect doing is, and it is not a suggestion that I would reject because that will place in my hands a considerable amount of power over all the other Ministers and including the Premier. It would give me the authority to tell the Premier what would go into any pamphlets or booklets that he puts out as well as the rest of the Ministers. I don't think my colleagues would . . . —(Interjection)— For just a moment I feel strengthened by that suggestion but then when I come down to reality I recognize that it's one that will not be accepted by the remainder of my colleagues.

**MR. CHAIRMAN:** 4.(e)(1)—pass; 4.(e)(2)—pass; 4.(f)(1)—pass; 4.(f)(2)—pass; 4.(f)(3)—pass; 4.(f)(4)—pass. Resolved that there be granted to Her Majesty a sum not exceeding . . . The Member for St. Vital.

**MR. WALDING:** Mr. Chairman, under this appropriation No. 4 on Communication, I had a couple of questions and a comment or two that I wanted to make and I apologize to the committee for not being here at the beginning of the section when they were immediately before the committee.

Under Communications Branch, I particularly wanted to ask the question when the Assistant Deputy Minister was present; did the Minister give an explanation of why there is a decrease in the staff man year component of this branch of the . . .

**MR. CHAIRMAN:** The question might be, committee, whether your chairman should be allowing — I know the duplication and we do put up with a lot of duplication, but if we're continually going to back up, maybe

two questions be allowed and that's it. If we go on and back up step by step, we set a precedent that where do we really get with our trying to . . .  
The Honourable Minister.

**MR. JORGENSEN:** I recognize the Chairman's dilemma. Just to make sure that my honourable friend is not denied the opportunity of getting the answer to that question, I explained it earlier, that they were a result of two deletions from that particular staff.

**MR. CHAIRMAN:** And we do, I might add, we can cover everything at the Minister's Salary on 1.(a), 1.(b), but I am powerless, I'm only your chairman. If we want to keep going back into many of the sections, where does your chairman really know where progress is being sought.  
The Member for St. Vital.

**MR. CHAIRMAN:** Mr. Chairman, I do sympathize with you having been in that position once or twice before and I assure you and the committee that I don't intend to waste any time. But you have moved the motion that Resolution No. 37 be passed and I am speaking to that Resolution; I believe it to be in order.  
I would like to ask the Minister further, what are the two positions that are being deleted from this branch? Are they clerical staff or something other?

**MR. JORGENSEN:** Two clerical.

**MR. WALDING:** Mr. Chairman, that eases my concern somewhat. The concern I had in noticing a reduction in this particular branch was the importance of communications and the back-up and expertise as it relates to government policy. I happen to believe it's important in such a technical area as communications that the Minister and the government do have an independent source of information rather than relying exclusively on the Manitoba Telephone System which is a recognized expert in the area of communications itself. I can think of such things as microwave communications as opposed to coaxial cable and the dispute with the cable companies over the benefits of satellite communication as opposed to those two, with the Minister getting conflicting views from MTS on the one hand and the cable companies on the other. I personally consider it important that the Minister does have his own source of expertise within the department to advise him on policy, keeping up to date with communications and the computers which tie in so closely with them, and this is not mentioning the whole area of pay-TV which is in some dispute at the moment, as the Minister is probably aware. Maybe the Minister would like to answer that concern that I have.  
I would like to follow it up with a question as to whether this matter of pay-TV has been settled as opposed to closed circuit television purely within Manitoba. I seem to recall that there was an agreement made between Manitoba and the federal government a few years ago which attempted to delineate the respective powers of the provinces as regards CRTC, and I do recall that pay-TV as such was designated as being a federal responsibility but closed circuit TV within the province was recognized as being a provincial responsibility. We're then faced with a dilemma of what happens when you're putting out pay-TV over a closed circuit TV network within the province and I understand that matter

has not been resolved and is under consideration still by the CRTC. The question I have is, what is the Minister's stand, does the government have a policy on that matter?

**MR. JORGENSEN:** A fast answer to that question, Mr. Chairman, is that questions relating to that particular subject will have to await the Minister of Government Services who is responsible for that area of the Communications Branch and when the report of the Manitoba Telephone System is before the committee, then he'll have an opportunity of posing his questions. If the Minister were here, he would perhaps be able to answer those questions now, but the whole area of television communications, CRTC, has been assigned to the Minister of Government Services since he is also the Minister responsible for Manitoba Telephone System, and Mr. Smith, who is the director of this particular branch, is our expert in that particular area and advises the Minister on that matter. So I would hope my honourable friend could defer his questions until the proper Minister is before him.

**MR. WALDING:** I'm not sure I'm clear on what the Minister was just telling me. Is he telling me that the Assistant Deputy is an advisor to the Minister of Government Services on telecommunications and not to the Minister of Consumer and Corporate Affairs?

**MR. JORGENSEN:** On the question of telecommunications, he is, yes.

**MR. WALDING:** I have one further question, Mr. Chairman, or perhaps it's a comment as well, on the Information Services Branch, and I ask the Minister . . .

**MR. JORGENSEN:** Mr. Chairman, we're not going to go over all that area again. I allowed my honourable friend to ask those questions on communications because I know it was an area that he was interested in, but we have covered all the other areas and I don't think that it's proper that we should cover them again.

**MR. WALDING:** Mr. Chairman, that's up to the Minister. He can either answer the questions now or when it comes to his salary, it won't take any more time one way or the other, but I'm quite willing to wait until the Minister's Salary comes up.

**MR. CHAIRMAN:** I'm concerned as your chairman, of setting a precedent where it can all come back to the Minister's Salary, any loose ends we haven't caught.

**MR. WALDING:** That's quite all right, Mr. Chairman, I'm sure I will think of a number of other questions by that time as well.

**MR. CHAIRMAN:** Resolved that there be granted to Her Majesty a sum not exceeding 984,000 for Consumer and Corporate Affairs and Environment—pass.  
The Member for Rock Lake.

**MR. EINARSON:** Mr. Chairman, I move that committee rise.

**MR. CHAIRMAN:** Committee rise.

## SUPPLY — HEALTH

**MR. CHAIRMAN, Abe Kovnats (Radisson):** This committee will come to order. I would direct the honourable members' attention to page 60 of the Main Estimates, Department of Health. Resolution No. 77, Clause 3, Item (a)(1)Salaries—pass — the Honourable Member for Transcona.

**MR. WILSON PARASIUK:** I would like to ask the Minister if he could give us an indication of what's happening this year with respect to venereal disease. I can recall that in last year's estimates he was indicating that there was an increase in the city. At that time I pointed out to him that the community health centres were playing a fairly active role in trying to combat the spread of these diseases. Klinik especially is playing a major role, has continued to play a major role, has a very good outreach program. I am wondering if the Minister can indicate what's happening in this area.

**MR. CHAIRMAN:** The Honourable Minister.

**HON. L.R. (Bud) SHERMAN (Fort Garry):** Yes, Mr. Chairman. As I mentioned earlier in the day, there has been an intensified campaign in terms of tracing venereal disease contacts in the community and in the province generally which has been reinforced in a noticeably productive way by the integration of four public health nurses from the city of Winnipeg into that system and service, but venereal disease continues to be a considerable problem for us. We did have a successful public awareness campaign that was carried through the media, largely through the visual media in the past twelve months that certainly was effective in stepping up the reports of cases of VD, the reported incidences and the identification of carriers and contacts and it was successful also from the point of view of heightening public awareness to the problem which is indeed a problem and is going to continue to require concerted action and attention.

Gonorrhoea is the most frequently reported of the sexually transmitted diseases in Manitoba and we have no evidence that the prevalence of this disease has diminished, although the total number of laboratory confirmed cases has declined by 14 percent over those reported in 1978. Last year there were 3,621 laboratory confirmed such infections reported by physicians. Public health nurses from the eight Manitoba regions and the city of Winnipeg nurses to whom I've referred continue to monitor the sexual contacts of those persons reported through the gonorrhoea prevention program. Fortunately, notwithstanding the fact that a penicillin resistant strain is reported to have emerged in some areas, there is no evidence that that strain has emerged in Manitoba. The VD control office in this particular division of our department, the Community Health Directorate, provides for the general operating and travel costs incurred by this office. The 1979-80 budget appropriation was 67.5 thousand, the requested appropriation for 1980-81 is 106.6 thousand, expansion to the extent of 26,000 of that applies to obtaining clinical, medical expertise at the Health Sciences Centre and the St. Boniface Hospital's venereal disease treatment centres.

We have also arranged with physicians and now provide through our Health Services Commission budget for reporting by physicians of VD cases. The pay for reporting cases is 4.00 per report and that is provided for in our budgetary appropriation this year.

The other expansion that I referred to has, I think I have described. The 1978 rate of infectious syphilis per one hundred thousand Manitobans was 3.8, the 1979 rate is apparently 1.1. The 1978 rate of gonorrhoea per hundred thousand Manitobans was 385 and the 1979 rate is apparently 330. I say apparently, Mr. Chairman, because those are the figures with which my officials provide me, but I would certainly stop short of saying that we have got the problem or the disease on the run or under control. It may be that those figures which reflect a relative improvement are simply the result of the public awareness campaign and the intensification of that public awareness in the past year and, of course, if that is not maintained obviously the improvement will diminish.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. PARASIUK:** I thank the Minister for that information. I think possibly the public awareness campaign did have some effect. I am interested in determining whether the department or anyone has done any analysis on the incidence of venereal disease amongst school-age children. There is a great deal of discussion now and analysis elsewhere about supposed increases in sexual activity of school-age children. I'm wondering if the department has any data in this regard. I'll just continue if the Minister is going to be looking for some of this information.

I'm wondering if there is any particular program undertaken directly with younger people, especially school-age children in say some of the family planning courses or anything like that, because I think that younger people should be aware of the perils of venereal disease and I am wondering whether the department is playing an active role in warning younger people of the perils or whether they're just leaving it to the sort of spontaneous education that many young people get with respect to this topic on the streets.

**MR. SHERMAN:** I'm afraid I don't have information on the incidence of venereal disease by age group, Mr. Chairman, but I can certainly attempt to get that, hopefully through our public awareness campaign, through our public health nurses, through health education in the schools, and indeed even through the kind of social contact of a health educational nature that occurs through the immunization program in the schools. There is continual awareness of the problem of venereal disease transmitted to school-age children and continual reference to its seriousness and to the need for self-knowledge with respect to those diseases, but I can't give the honourable member an age breakdown at the present time on the basis of the information that I have.

I think his question is well founded because in past years, perhaps not last year but I think in previous years we did have an age breakdown on the incidence of VD and I'll attempt to get that.

**MR. PARASIUK:** I would appreciate if the Minister could get that information. There are other opportun-

ities to get back at this in the course of the estimates debate. I just want to clarify in my mind that the department in its health education and in other activities taking part in the schools, isn't ducking on this issue as I think it may be, dealing with respect to family planning. The Minister indicated that with respect to family planning there are a lot of strong feelings on whether in fact this should be aggressively taught in the schools, but I'd like to get a clarification from the Minister whether in fact there is that same tentativeness with respect to informing school-age children of venereal disease, ways in which venereal disease may be in fact caught, ways in which children may in fact try and protect themselves from getting venereal disease, not the least of which may be abstinence.

**MR. CHAIRMAN:** To the Honourable Minister. Would this better be discussed under Health Education or would the Honourable Minister care to respond to the question under this article?  
The Honourable Minister.

**MR. SHERMAN:** It certainly can be dealt with under Health Education, Mr. Chairman. I would just say to the Honourable Member for Transcona that, no, he need have no fear that we tread by nature and inclination as softly in the area of VD education as we do in the area of family planning. There are, as I think he would agree, different social pressures and different mores and different approaches in the field of morality and ethics and religious belief and fields of that nature, that must obviously be taken into account in some areas than in others, and where the pathway is tenuous at best in the area of family planning, the same conditions do not obtain in the area of VD education.

**MR. CHAIRMAN:** The Honourable Member for St. Boniface.

**MR. LAURENT L. DESJARDINS:** Mr. Chairman, a few years ago there seemed to be an upswing in venereal disease and there was an effort started under Dr. Scatliffe to fight that and this is going on. And I understand that, as the Minister said, you'll never lick it completely but there's a big improvement. But my concern, I know that one of the worries, one of the difficulties that we had was working, and Dr. Scatliffe was working with the medical profession, and the medical profession I think by law are required to report any of these cases to make sure, to try to get to the carrier. It stands to reason that it's going to be difficult at times. It's very difficult for a physician to have to tattle-tale on his patients at times, although I think it's worth it when you see what you're trying to do.

I wonder if the Minister could tell us if he feels there's been an improvement, or if Dr. Scatliffe feels there's been an improvement. I know that he was quite concerned with it and he felt that it would go a long way if they could have the full co-operation of the medical profession. I know that we had enlisted the help of the College of Physicians for that and they were trying to do a selling job with the profession also.

While I'm on my feet, before we leave this item, I wonder if the Minister, out of the 40 staff man years that we have here, how many are public health nurses. In fact, maybe he could break it down for me.

**MR. SHERMAN:** Mr. Chairman, we are attempting to follow that initiative of putting the anti-VD campaign insofar as is possible, into the hands of the physicians, of the doctors, in the province as the first line of defence, particularly in the area of reporting. Because if a significant number of cases can be reported and contacts can be identified and traced, obviously it's possible to bring under some semblance of control the potential spread of infection. It is sensible, I think it does make sense to involve the doctors and the physicians more fully and as totally as that is possible in that activity rather than depending on medical clinics or hospitals to carry the brunt of that responsibility. We have, as I suggested, introduced a system now of paying physicians, not a great deal, but at least it makes it worth their while to report incidents of venereal disease, do the necessary paperwork and take the necessary time to make the report, and that appears to be bearing some results.

It's true in reference to the history to which the Member for St. Boniface refers that a few years ago the reported cases were higher in total than they appear to be at the present time. The reported cases of both infectious syphilis and gonorrhoea, and it's particularly gonorrhoea because that's the widespread venereal disease, the reported cases in 1979 are really significantly lower than they were, for example, in 1977. In 1975-76-77 they were at 4,200, 4,700 and 4,800. In 1978 it dropped to 4,214 and in 1979 to 3,621 and that was a result of getting into place this initiative that the Member for St. Boniface is talking about. But I hasten to emphasize once again that these are reported cases and there is still no doubt a massive area of infection out there that isn't reported and that we don't get at.

The other question asked of me by the Member for St. Boniface had to do with public health nurses and what we are looking at in this particular branch, Medical Public Health Services of the Community Health Directorate is an SMY total of 40 that is comprised primarily of medical officers and a number of specialists, including hearing specialists and administrative support staff. The public health nurses as SMY's come under the Regional Field Services Director of the Department of Community Services. The breakdown on these 40 SMY's is 11 in medical administration, comprised of eight medical officers, one program analyst and two administrative support staff; 10 in epidemiological services comprised of two medical officers, one health specialist and seven administrative support staff; 13 in clinical services which includes the office of hearing conservation, they consist of two medical officers, eight hearing specialists, one public health specialist, one medical records technician and one administrative support staff; and six in VD control, four specialists and two administrative support staff, for a total of 40.

**MR. SPEAKER:** 1—pass — The Honourable Member for St. Boniface.

**MR. DESJARDINS:** I thank the Minister for his remarks and his report on the fight against VD. I am not a cheering section to see how many cases are reported, in a way it's a blessing if there's less. But my main concern, and I this is very difficult to gauge, but does the Minister feel, or does his staff feel that there is an improvement in working with the medical profession, are they reporting more cases now than they were be-

fore? That actually is my main concern. Is it felt they are co-operating more?

**MR. SHERMAN:** I think that I can essentially give the honourable member the assurance that that is the case. We certainly feel that they are. The figures would tend to indicate that they are. There are, as I say, significant increases in the number of cases reported in both gonorrhoea and infectious syphilis in 1979 as against earlier years. The population of the province hasn't changed all that much, so the evidence appears to point to the answer yes, Mr. Chairman.

**MR. CHAIRMAN:** (1)—pass; (2)—pass — the Honourable Member for St. Johns.

**MR. SAUL CHERNIACK:** I refer, Mr. Chairman, to the Annual Report that has been distributed with us and would like to bring the Minister's attention to the area of maternal and child health, and ask him what program has been developed, or is being developed along the lines of maternal and child health by his department.

**MR. SHERMAN:** Mr. Chairman, I would ask the Honourable Member for St. Johns as to what page in particular he is referring to? I, of course, am familiar with the subject of maternal and child health . . .

**MR. CHERNIACK:** Page 37, Bud.

**MR. SHERMAN:** Mr. Chairman, in terms of maternal and child health, I'm not sure exactly what the honourable member is asking, except that activities certainly are being carried forward in terms of prenatal classes and departmental programs carried out by public health nurses and nutritional staff. We have supported tangibly, in terms of loan of personnel and funding, the task force on maternal and child health established under the Social Planning Council of Winnipeg, and we have announced, and I'll be giving more details on, a new program under the Manitoba Health Services Commission in the field of high risk newborns and particularly high risk newborn transport to get at the continuing challenge in infant mortality and perinatal mortality and in the field of high risk pregnancies and maternal and child health generally.

In this categorical stage of the estimates, I presume the Member for St. Johns is referring to the clinical services under the office of Medical and Public Health Services, and I can advise him that prenatal classes are offered for both expectant mothers and fathers, with special classes for unmarried mothers. These classes are an established institution in this province designed to help provide knowledge to improve the health of the mother and child. Mothers and infants receive home visits from public health nurses, the mother, prior to birth, and the mother and the child after birth. Professional support and counselling is provided. There's a good program of immunization, and as I've described earlier in the day, that has been modernized and upgraded through the computerized immunization pilot projects which are completed and in place. Three-year-old preschoolers in particular are given developmental assessments by public health nurses and there are various screening tests and other aids and forms of assistance designed to ensure quality health care for mothers prior to birth of their children and to the mothers and children, the

babies following birth, through the critical early formative period of their lives.

There are identification procedures for referral for specialized treatment and services for particular problems such as hearing and vision. Essentially, Mr. Chairman, the efforts are improved in this area by the province, piece by piece, step by step, I think on an annual basis.

**MR. CHAIRMAN:** (2)—pass — the Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Chairman, could the Minister inform us the numbers of persons dealt with in this last year as compared with the previous year, and give us some idea whether the program has plateaued or is growing or is indeed deteriorating, and to indicate to us what his intention is. What is his thrust? Does he feel he's covering Manitoba adequately, as I somehow gathered from something he said about this being a continuing program, or is there more to be done in this field? Because the entire question of child care, baby care, is, as he knows, I suppose it's an international problem, but I just want to know the extent to which the Minister is planning to enlarge or cut down on the program or is he happy with the present level?

**MR. SHERMAN:** Mr. Chairman, first of all, let me say I'm not satisfied with the program in the sense that one would be satisfied if it was fulfilling its maximum potential and addressing all the problems and challenges in the field. I think that it has to be continually reinforced and improved at whatever reasonable speed can be attained. Certainly, our concern for infant mortality, perinatal mortality, high risk maternity cases, and high risk new-borns, has been demonstrated by two of the initiatives that we have taken, to which I've referred. One is the support for the task force launched by the Social Planning Council. The other is the new program in high risk newborn transfer that pivots around the high risk newborn nursery unit at the Health Sciences Centre, and which is covered under the New Programs appropriation in the Manitoba Health Services Commission estimates. Indeed there is a continual vigilance and continual initiative necessary in the field of maternal and child health. We have areas of the province where our maternal and child health level is very good, very high. We have other areas where, for socioeconomic geographic and other reasons, it is not as good and we're aware that we have to continually strive to improve it.

In terms of figures and total numbers, which was part of the question from the Honourable Member for St. Johns, our tables for the year indicate that in the category of infants and preschoolers, that is a few months of age up to four years of age, the total number of health promotion exercises or health promotion initiatives as of December 1978, was 3,312. Direct nursing care is shown at 457. I would have to check to determine whether that's cases, whether that's individual patients or whether that's a composite of calls that in some cases involve the same patient, Mr. Chairman. But I can assure the honourable member that maternal and child health is an area which we feel is vital, important, crucial in Manitoba and the initiatives we're taking, such as those that I've mentioned, are geared to improve it and to close the gaps that exist in a system.

**MR. CHAIRMAN:** . . . —pass — the Honourable Member for Fort Rouge.

**MRS. JUNE WESTBURY:** Thank you, Mr. Chairperson. I wanted to say a few words on the subject of the public health nurses that we were talking about this afternoon and time ran out as the Minister concluded his remarks.

It happens that I was a member of that sub-committee of Environment which was meeting with the provincial department to talk about the duplication of responsibility and which led to the transfer of the four public health nurses over from the city to the province. This was in part, because it was felt, particularly by some of the councillors representing suburban areas, that there was some duplication in the service that was being given to the public and their representatives, the councillors.

But in defence of the city's Health Department, in which I'm a firm and dedicated believer, I know that some of the suburban councillors felt that they did not have the ability to communicate with the health departments in the suburbs, the provincial health officers, that they had through the city Health Department, partly because it is your city department. I'm a former Chairman of the Health Committee in the old city and I know there was always a very close rapport between the city health officers, the Health Department administrators and the public health nurses and the councillors, in the former city of Winnipeg, and I think to some extent that has continued to this day.

We have on the one hand a feeling on the part of some of the suburban councillors that they were not having the same close rapport with the public health facilities that the then inner-city councillors had. Also another feeling that there was some duplication of services. The meetings with the provincial department, if I may say so from a different perspective, my perspective then being an inner city councillor, was to eliminate this duplication and make it the most responsive combination possible by moving responsibilities in the best possible manner so that we were avoiding the duplication and both departments were performing to the best of their ability.

I feel, in response to the remarks by the Honourable Member for Seven Oaks this afternoon who seemed to feel that it would be perhaps desirable for the city of Winnipeg Health Department to be eliminated and become a part of the provincial department, I would like to say that I and, I believe most of the city councillors would vehemently oppose that; in fact, it has been discussed on city council because we used to have some administrators at the city council level who seemed to feel that the city shouldn't be in the health business at all, and this came up on a couple of occasions in the past eight years since unification, where they have suggested that the city should ask the province to take over the health department. I'm sure the Honourable Member for St. Boniface will recall some of those discussions and I am equally sure that the Honourable Minister will recall the discussions, and the city council had some very outspoken discussions on the matter but always came to the conclusion that the City Health Department should remain as an arm of city government.

So I feel that in view of the comments, I was not going to say this, but in view of the comments by the Honourable Member for Seven Oaks I would have to say

that that is irreversibly my position and I believe the position of most of the city councillors of the city of Winnipeg. I just do not feel that the suggestion would receive a sympathetic hearing from the city council and I hope that it will die a natural death and we won't go through all this agony again of discussing whether the province should take over the City Health Department because it's just not what is wanted in the city of Winnipeg, I would suggest, Mr. Chairperson.

I made some reference yesterday to family planning clinics and perhaps I should add that the City Health Department in its family planning clinic found a side benefit that was a happy side benefit and not altogether expected at the beginning; they found that it also became a cancer detection clinic because in a number of instances when women went in there to talk about family planning and receive advice on family planning, it was discovered that they were in the early stages and correctible stages of cancer. So that there is a side benefit in this as well with family planning, the way this is done by the medical people there is this side benefit of cancer detection in a small number of cases and of course all of us believe that those small number of cases should be helped as much as possible. Thank you.

**MR. CHAIRMAN:** The Honourable Member for St. Boniface.

**MR. DESJARDINS:** Mr. Chairman, it is not my intention to debate too much with the Member for Fort Rouge. I think our main responsibility is enter debate with the Minister and scrutinize what is being done in his department. But especially in view of the fact that my colleague who made these remarks earlier is not here, I would hope because of the statement by the Member for Fort Rouge that the work that is being done now between the two levels of government should continue. I am sure that the present Minister not more than the former Ministers are interested in higher buildings especially in this department, God knows it is big enough and I'm not too concerned as to the views, I shouldn't say the views of the councillors, but the councillors unless they can assure us that the service will be given. I think the main thing is the work that is being done in this field, in health, for the people of Manitoba. I think there is a lot of things to say about a change, about the possibility of the province taking over, there's the business of duplication and also uniform services all across the province, which at times is a little difficult. I am not suggesting, I'm not going to be as categorical as the Member for Fort Rouge and say Well, you know, I take the opposite stand and under no circumstance should the city be allowed to keep on and run their health department, but I would like a study to keep on and I hope that the Minister will keep on exchanging these ideas with the councillors and the main thing, the last line, is the health care and service to the people of Manitoba and right now, as I say it's too early I wouldn't want to make a snap decision.

In the times that I had the responsibility I know it was felt there was some duplication and then at times the same service wasn't equal in Manitoba. After all the people should have the same care as much as possible, the same services, so I would hope that we will continue to see if there's any improvement can be made and if it is decided, there's a consensus, and if it is proven, the facts are there that we can improve by changing

whatever it is or reorganizing, or working together, I think that we should do that without any hesitation and I'm kind of surprised the Member for Fort Rouge said I'll never change my mind, that's it because the councillors don't want to change. I don't think that this is the important thing and I don't think this should determine what will be done. I think the health and the service to the people of Manitoba is what counts.

**MRS. WESTBURY:** Well maybe after I have been here as long as I was on council I may change my mind a little bit, Mr. Chairperson. I like to think that I'm here more as an advocate than as an antagonist and if I see something that's being done properly I hope I'm man enough, person enough, to admit that I see something that's being done properly.

I have one question I should have asked the Minister. My understanding in the meetings that we had when I was a member of that environment sub-committee was that the four public health nurses who are being seconded to the province, it was to be on a trial period of a year and after that they were to have a choice of whether they went back to city employ or stayed in provincial employ and the transfer was to be complete after a year. Now I understand that that transfer has not been completed. Am I correct in my remembrance of what happened of the agreement and what has happened in the meantime to change it? Are they still on the city payroll and why please?

**MR. CHAIRMAN:** The Honourable Minister.

**MR. SHERMAN:** The four public health nurses in question are still on the city payroll, Mr. Chairman, the, I think, general approach taken by both parties, the province and the city, as we looked at the project was a trial approach, whether or not that was ever enshrined in written form or in a written agreement I can't recall, but I would agree that we approached it on the basis of co-operation and on the basis of a trial. I have to say that the trial in our view — and we've had no contrary opinion expressed by the city — has been very successful. The new medical officer of health for the city, Dr. Gemmill, has certainly concurred in and subscribed to the application of those four public health nurses in this role, and we are intending to continue with it.

**MR. CHAIRMAN:** The Honourable Member for Fort Rouge.

**MRS. WESTBURY:** Mr. Chairperson, I do believe that the written report that was drawn up after the agreement had been reached did refer to the period of a year, and I wonder if the Minister would be kind enough to go back to his department and investigate that. I can also make my own enquiries, I suppose, through Dr. Gemmill's office, but I do believe it was written that it was to be for a trial period of a year, after which the transfer would be completed or the nurses would have an option of going back to city employment if that's what they wanted. I don't remember the arrangements that were made regarding who was paying whom. The concern was that the better service would be provided to the community by avoidance of duplication, and I would hope as with the Honourable Member for St. Boniface, I'm quite sure that everybody concerned was thinking about the service to the public as well as the

avoidance of duplication and I think in some ways that is almost the same thing.

**MR. SHERMAN:** Mr. Chairman, the Honourable Member for Fort Rouge may be quite right; it may well be in writing. I simply advise her that I can't recall precisely whether it was in writing or not, but whether or not it's in writing there is no question that the spirit of the agreement was a one-year trial. I will check that point. I might say that there has been no pressure that I know of that's been applied to the nurses to make them stay and follow through in this particular association. My departmental officials tell me that the nurses like working for us in this area and that they're happy. Now I may generate some response by making that remark that conveys a different message to me from the nurses involved later in the week, but up to this point in time that is our impression. They are still on the city payroll, there's no disputing that. They're not being paid by the province, they're being paid by the city. But as I indicated to the Honourable Member for Seven Oaks earlier, all parties to my knowledge up to this point seem to agree that this is a step towards the kind of rationalization — perhaps integration is too strong a term because some of the reservations that the Member for Fort Rouge has raised are certainly there and on the record and continue to be there. But this is a step in what both parties feel is a path leading to rationalization of public health service delivery in the Greater Winnipeg area.

**MR. CHAIRMAN:** The Honourable Member for St. Boniface.

**MR. DESJARDINS:** Mr. Chairman, I think that the committee owes a vote of thanks to the Member for Fort Rouge. This is information that we didn't have before and I am sure that if the Member for Seven Oaks, who will be here a little later, if he was here I think he would agree with me. And I would want to make this clear that we on this side are not against the — we are never against this change — that is that these four nurses would work for the province or with the province, and I am sure that the Minister is not taking much of a chance, I am sure that they are quite pleased.

Our concern was, and the information that we have then would satisfy us if the Minister could look at the agreement just because nobody is reminding him of the agreement. If such an agreement exists it doesn't mean that it should be forgotten. I think if the work can be done, the Minister said he didn't have the qualified nurses for that and I understand that, I believe that, but if they are going to work for the province, I think then the province should put them on their payroll. Either a transfer or for some reason or other, they still want to get their cheque and if the Minister agrees to that, their cheque from the city, well then there should be some kind of a grant in lieu of that; that's our only concern. It stands to reason, after the few remarks that I made earlier when I said that there should be some co-operation but there is no way that we can say, okay, we're going to do the work but you're going to pay for it because it is understood that under our system that the people of Manitoba have a right to receive these services from the province. It is the responsibility of the province, not necessarily to deliver the service, they can make other arrangements, but it's certainly the

responsibility of the province to pay for it and, well, of course, this is accepted because there is a grant made. I think that was transferred now to the Department of Finance, isn't it, if I could get the attention of the Minister. I think that the grant is now being made directly by the Department of Finance instead of the Department of Health through the city for the Health. With this added information, we're quite happy but we would — well, we'll wait and see. The Minister answered the Member for Fort Rouge and said that he will verify and see if there is an agreement, that after one year the city will take over the — excuse me, the province will take over the financial obligation. Can I ask you, Mr. Chairman, are we on (2), on Other Expenditures, or still on . . . ?

**MR. CHAIRMAN:** It is on Other Expenditures but I have allowed the debate to be quite widespread.

**MR. DESJARDINS:** I see, well then I would like to ask a question on that if we've finished Salaries then. This also includes the vaccine and immunization that is given to the doctors in different areas. Has the policy been changed in that at all? Is that sold to the doctors or do they have to pay for any of this at all or is it given to the doctors? I think that at one time for certain — certain vaccines anyway I think were — the senior citizens or people that for some reason needed, let's say, heart problem and so on, receive the first priority on this. Could the Minister tell us, and at the same time he could report to see what kind of a year it was. I think that we had an easy winter and it seems to me that, thank God, that this was not of the years where we had another imported disease that we had to immunize all the people like a few years ago, which was quite costly, on this swine flu and so on. If the Minister can give us some information on this.

**MR. SHERMAN:** Yes, I can, Mr. Chairman, but prior to doing that I would just like to add one comment so there is no misunderstanding about the situation with respect to the public health nurses in the VD campaign. When I say they are on the city payroll, I mean they are on the city payroll, but that does not mean that the province does not in the end assume the responsibility that's included in the block fund amount that covers public health nursing and public health service delivery in the city of Winnipeg. Under the block fund from the province to the city there is a category that covers public health nursing and public health services. That was at a specific level prior to the determination of the new block fund amount and in calculating a new block fund amount it included an increase in what would be expended on public health services. We recognize the fact that the services being provided in the VD field are a public health service to the province, not merely to the city, and that we have some responsibility in that area, but the nurses prefer to be on the city payroll. It's taken into consideration.

As the Member for St. Boniface well knows it's not a simple matter where individuals are concerned, to simply transfer them from one employer to another. There are pension rights and various other things to be considered. I think they're happy the way they are, under their city contract but working in this particular field. On the question at issue, on the item that we're now discussing, Mr. Chairman, the Other Expenditures appropriation does cover biological products including

lifesaving drugs, and the medical criteria and the payment criteria have not changed. The cost of these supplies is estimated, based on last year's volume and projected volume increases, and provided through this appropriation in the budget and the recipient certainly does not pay for them. The list in total includes lifesaving and cystic fibrosis program products; biological products for rheumatic heart disease; diabetic drugs; polio vaccine; influenza vaccine; mumps vaccine; measles vaccine and other vaccines and immunization agents; and also a small appropriation for storage and distribution.

It was a printed appropriation of 1.89 million in 1979-80 — I'm not sure whether that was all spent — it was underspent by about 170,000, I'm advised, Mr. Chairman. The appropriation this year is 1.464 million. The major increase in biological products is in vaccine and immunizing agents offset by a decrease in the cost of polio vaccines since oral Sabin polio vaccine is once again available.

**MR. DESJARDINS:** I thank the Minister for his answer. I think that he anticipated my next question. Mind you he didn't go into detail that I would have liked him to. I was talking about vaccine and immunization and the Minister brought in the lifesaving drugs. There again I would like to know if there's been any change in policy or is that being phased out? This program was in place before Pharmacare, Mr. Chairman, and then I think that for a period of time this program was in a kind of a frozen state; I don't think that any new patients were accepted. I'm not too sure of that, if there has been any change. The final policy had not been determined and the idea was that eventually to see all of it being transferred to Pharmacare. Is it wide open? Can anybody apply for this program or is it in a frozen state? Is it only those that were receiving it before Pharmacare came in? This is the next question. The Minister says that it is going down so maybe it is being phased out, included in the Pharmacare program.

**MR. SHERMAN:** No, there's no change in that criteria, Mr. Chairman. Anybody can apply. Each case is assessed individually. The request for lifesaving drugs, and the provision and payment through this program for them, is balanced against the support that the individual receives under Pharmacare.

The assessment of income and capacity to pay for these products is balanced against the support available under Pharmacare, which of course is the 80 per cent reimbursement of everything over the 75 deductible or 50 deductible in the case of elderly persons and/or social allowance.

I don't know what other information the honourable member is seeking in that area, Mr. Chairman, but there's been no change in the application of the rules and funding for provision of such drugs in the past three years, or indeed since Pharmacare came into existence.

**MR. DESJARDINS:** Mr. Chairman, I was under the impression and my notes here tell me that for a while after Pharmacare was brought in — and if my memory serves me right it was frozen — the intention was to discontinue this program, and it was going to be cancelled, in fact. Then there had been some representation, it was felt that it was quite costly and until a new policy was decided, it was frozen, that is, no new

patients were accepted. I don't quite understand what the Minister means by, it's balanced by the Pharmacare Program. I understand the question of 80 percent of the first 75 and in certain cases 50.00. For instance, if I was to require these drugs, would I have to pay the first 75.00, or could I apply to treat that as a different program and I would pay the first 75.00 and then 20 percent of all the other drugs, but excluding these, and these I could apply to the department and get these lifesaving drugs free of charge? I'm sorry, I don't quite understand what the Minister means by balancing it with the Pharmacare Program.

**MR. SHERMAN:** Mr. Chairman, my understanding is that after the introduction of Pharmacare, under the previous administration, that it was anticipated that Pharmacare would take care of needs of person, not only for conventional drugs and medication, but for lifesaving drugs as well. As a consequence, the Life-saving Drug Program was wound down. If it wasn't terminated it was at least trimmed back and it was expected that that service could be accommodated under Pharmacare. That didn't prove to be the case and there was considerable pressure to bring the Life-saving Drug Program back into existence, which was done. —(Interjection)— That's right. That's right. It operates now for persons who need lifesaving drugs but who also qualify for Pharmacare. When I refer to balancing one against the other, what I'm talking about is balancing the financial input or the financial contribution.

The Pharmacare Program covers 80 percent of the bill after the deductible is paid. If the individual is still in difficulty and if the cost of the drugs - and many of these life-saving drugs are enormously expensive, then this program picks up that cost. But this appropriation provided here, for example, 178,300 for Life Saving and Cystic Fibrosis Program, doesn't cover all the costs of our Life Saving Drug Program. The bulk of it is covered under Pharmacare.

**MR. DESJARDINS:** They need more help; they can apply.

**MR. SHERMAN:** Right.

**MR. CHAIRMAN:** (2)—pass — the Honourable Member for St. Boniface.

**MR. DESJARDINS:** On (2) also, is this the item where we have the Improved Hearing Screening Program also? I wonder if the Minister could give us the latest on that. I think that we had quite a debate last year or the year before on that. I think this is a good program recognized by everyone and the Minister had said that as fast as they could they would enlarge the program and also so I won't have to get up that often, the incentive grants to doctors and dentists, is this also in there in certain areas, I think up in the north and so on? And if so, if the Minister tell us about that and if not can he tell me where we can discuss that.

**MR. SHERMAN:** The office of Hearing Conservation does come into this area of the estimates, Mr. Chairman, and in the Hearing Conservation Program and Hearing Screening and Hearing Services Program we have, I am pleased to be able to report to the honourable member, expanded our technical and profes-

sional capacities to deliver this service in additional and expanded parts of the province. When the government came into office, we inherited a program that had been initiated by the previous government and it included permanent hearing testing laboratory centers in Brandon and Thompson. We added Dauphin to that spectrum; The Pas was added last year and is on the threshold of opening. In fact, it might be open at this moment. If it isn't, it will be virtually momentarily. The problem there was to find suitable space. All the equipment was in place; the audiologist was there, but when I was last in the area, they were still looking for suitable space which has now been made available through Government Services and that centre is either operating tonight or will be momentarily. —(Interjection)— In The Pas.

Our new program or our new appropriation for 1980-81 includes the addition of a fifth such centre in the central region this time; it will be located in Portage la Prairie, so that that program is expanding and performing an extremely valuable service.

**MR. DESJARDINS:** The Minister said the fifth, I thought you had already announced, wouldn't it be the sixth?

**MR. SHERMAN:** No. Brandon, Thompson, Dauphin, The Pas, and now Portage; so that will make five.

In addition to that, of course, there is the mobile unit delivery system, the mobile unit service that covers various other rural and remote regions in areas of the province.

On the honourable member's second question about incentive grants to doctors and dentists; no, that grant program or system as he refers to it, does not exist any longer to my knowledge, Mr. Chairman. However, and I am not sure whether these two would be related in the honourable member's mind, but he is aware that we have introduced a differential in the fee schedule for medical practitioners north of the 53rd parallel and the Standing Committee on medical manpower which is a subject that I know he is interested in and took some initial responsibility for, is being asked to look at the whole area of incentives to medical practitioners. I don't think at this juncture that I could suggest that those terms of reference embrace dental practitioners, but certainly the whole area of incentives for medical practitioners.

**MR. CHAIRMAN:** The Honourable Member for Transcona.

**MR. PARASIUK:** I have a couple of questions arising from what the Minister just said. Before I do I would like to raise a point relating to planning and ask a question about a report that has been given to us by the Minister. I don't really want to debate the report, but he did table for our information, before estimates, the Childrens' Dental Health Program Review Committee Report — the cost efficiency report — and I wanted to ask the Minister just a simple question. Is that the report in its entirety, because in reading it, frankly, there are a few difficulties with it. It seems to start with item (c), and it says, Revised February 1980 and then the report itself starts on page 1, but it's the Roman numeral V, Cost Efficiency. One gets the impression that the report that you've tabled is really an excerpt from a larger report that you have. Is that correct? I

just wanted to make sure that we had sufficient information that we knew about and understand that we had, because I expect that we will be debating or discussing dental care tomorrow or Thursday. I just want clarification from the Minister that we have received the complete report or is this an excerpt from the report which the Minister has, but feels he can't table with us.

**MR. SHERMAN:** It's the complete report that I have, Mr. Chairman, but I'm not surprised that there is some confusion at the heading on that particular page. We received an interim report from the Review Committee which I feel in all conscience — I have no objection of making the interim report available now but I saw no particular point in making the interim report available when it was purely that and there was a complete report coming. In that interim report, either in it or in some supporting material that accompanied it to me, there was a position and a perspective put on that particular subject that the honourable member refers to, that was a revised piece of material accompanying the final report. The only reason that I included it with the final report is that it seemed to me to be the sort of relative definitive word on cost efficiency as the Review Committee found it, in pretty simple straightforward terms, so we attached it to the report. We probably would have been better to have erased the letter (c) and put a different heading on it. It seemed to me to constitute a reasonably simple page-and-a-half summary of the subject, but I would agree it's probably confusing in the way it's presented. That's the complete report that I've received.

**MR. DEPUTY CHAIRMAN, Robert Anderson (Springfield):** The Honourable Member for Transcona.

**MR. PARASIUK:** I appreciate the Minister's answer. I just wanted to ask if the interim report actually provided more of a context of the Children's Dental Care Program per se, in that if one wants to ask some other people to look at this report, which I think now that it's a public report, is fair enough. It really doesn't provide the context of the — you know, it doesn't read the way I've read other reports, where it sort of explains what the program is about, that there is a public component, that there is a private component. It gets right into the cost efficiency components, and it does so with a chapter entitled V, and I wonder is there a I which was the introduction and the interim report, and II, III, IV. Does the Minister get what I mean when I'm raising that and, if so, it would be useful to have it just as a record for our internal use and for our files.

**MR. DEPUTY CHAIRMAN:** The Honourable Minister.

**MR. SHERMAN:** I can make that available, Mr. Chairman, and I'll do so. As I say, the only reason I hadn't done so earlier was because I didn't think an interim report was going to help any of us very much, but now in the context of the final report it might be helpful.

**MR. PARASIUK:** I didn't want to debate this particular item; I just wanted to explain why I felt that we could get the interim report. I agree with this as logic in terms of the interim report.

I wanted to raise a couple of questions before we leave this item. On the issue of maternal and child health care which my colleague, the Member for St. Johns, raised,

I think that some of the work that is being done by the government is important, it's necessary, and I agree with it. I would like to make the case, I think we need more, that the issue is quite critical, and with respect to the principle of accessibility, I don't think that the people in northern Manitoba have adequate accessibility to this aspect of health care. I wonder if we have any data with respect to perinatal and infant mortality rates in northern Manitoba. I would think that they would be different from those in Winnipeg.

I'm wondering if there's a further breakdown with respect to the inner core, because I do think accessibility of health care is a critical problem that has to be addressed by Manitoba. Our province is different geographically; I think we have to make an extra effort in northern Manitoba. It's not enough just to have the air ambulance. I think it's important to be doing this type of work, especially there, since I think infant mortality rate from my recollection is somewhat higher in communities like that. If you took a community like Shamattawa, for example, or Pukatawagan, I think, or Brochet, you would find that the infant mortality rates there are very high. I'm wondering if any work such as prenatal classes, nutritional classes, is being done.

**MR. SHERMAN:** It's certainly being done in the north and in remote parts of the province as thoroughly as we find it possible to do it, Mr. Chairman, although perhaps I should modify that statement and admit that certainly greater efforts are needed. There is no question that the infant mortality rate is higher in northern Manitoba than it is in the south. As a matter of fact, I think probably if we drew a line across the province at the 53rd parallel and measured our infant mortality rate south of the 53rd parallel it would compare favourably, maybe even very favourably with any in North America. But when you include the northern part of the province it gives us a record that is anything but enviable in statistical comparisons across Canada and even across the United States.

I don't like to fall back on the excuse of difficulties; there are difficulties obviously in recruiting and retaining public health nurses in remote parts of the province; there are difficulties in dealing with problems of this nature in other cultures whom we have neglected for too long. And we're not possessors of a very proud record in the field of infant mortality in northern Manitoba, but certainly we have public health nurses stationed and scattered throughout the north and in communities such as Ilford, Gillam, Thicket Portage, Wabowden, Easterville, Pikwitonei, Moose Lake, Grand Rapids and others, and we have the Public Health Nursing Service and Community Health Service delivered from the Thompson and Norman regional offices. But more is going to have to be done.

**MR. PARASIUK:** I'll follow up on this just for a few minutes, not to break my line of thinking. I pose this as a challenge; I sympathize with the comments of the Minister; I think this is a big challenge. I don't think the record of the previous government in meeting this challenge was adequate. I don't think the record of this government is adequate. I appreciate that the Minister says that he is trying to deal with this challenge because I think the problems of recruitment are very difficult. I think the problems of continuity are difficult; I think the problems of communication up north are difficult. —(Interjection)—

That's the point that I was coming to. I'm wondering whether in fact there is any thrust in this area of the New Careers Program. My experience was that the New Careers Program would apply to, say — child welfare in Churchill was excellent. I think the best child care worker that Churchill has ever had has not been someone with a master's degree in social work who has come up there and probably has a greater affinity for southern Manitoba, but rather a middle-aged woman who didn't have a great educational background, who had a tremendous concern for children, who received intensive on-the-job training over a three-year period and turned out to be an excellent child-care worker. The consensus was that she was the best they ever had.

So, in this respect, I think that this is an area for New Careers, and I'm wondering if the New Careers Program is being utilized in this area. I think it's also an area for affirmative action because I think the concept of New Careers really does entail affirmative action, that is, that you take people and you determine that they have an affinity for northern Manitoba; they want to stay in northern Manitoba; they like northern Manitoba. They may not have the formal educational skills; these may act as constraints, other things being equal, to their getting those positions or responsibility in the civil service in northern Manitoba. But the New Careers Program, I think, was able to show that you can break down those constraints if there is a will and a desire for affirmative action. You can find people who are indigenous to northern Manitoba, who will stay there, who were born there; that program has worked with respect to teachers in northern Manitoba. I think the success with BUNTEP has been excellent; I think this offers a tremendous opportunity, and I'd like the Minister to give us any — I haven't asked too many specifics with respect to staff man years or things like that, but I think that this is one that I'd like to establish as a bit of a benchmark for possible questions next year, because I do think it provides some opportunity for some direct action by the government.

**MR. SHERMAN:** I believe in the new careers program, Mr. Chairman, and so does my colleague, the Minister of Labour, and I would like to say for the record that the Minister of Labour is promoting the program very actively. We have working in the north at the present time 12 new careerists, six in NorMan region and six in Thompson. We hired four more this year. So those are some inroads and certainly the response and the productivity and the effectiveness of those new careerists has been gratifying and persuades me that it is a program that possesses within itself the seeds of at least some answers, partial answers to this challenge of proper health care service and health care delivery in remote parts of the province.

In the same vein there is underway through the medical college and through the MMA and the Dean of Medicine a program designed to take I believe it's ten native students, boys and girls, who have demonstrated an interest in and an ambition for medical careers and a special pre-med course is being established through the medical school here to equip them to apply to qualify for admission to medical school without having necessarily had the access to conventional school and high school educational opportunities that people in the south have available. These are young people who have some schooling but who obviously also have abilities

and talents and ambitions to enter the field of medicine to attempt to qualify as doctors and a condensed course combining the necessary aspects of the high school education plus the necessary components of pre-med is being made available to equip them to apply for admission to medical school and we hope for success from that initiative. The early indications are very optimistic.

**MR. DEPUTY CHAIRMAN:** The Member for Radisson.

**MR. KOVNATS:** Thank you Mr. Chairman. I would precede my remarks by mentioning that I do have a bit of a hearing deficiency and I guess all people with hearing deficiencies are fairly close to my heart. I had the opportunity of meeting a young lady within the last couple of years who resides at Piney, Manitoba, who is completely deaf. She is married with two children, but I'm told that her lack of hearing could probably have been corrected at an early age but it was not detected, and I would believe this comes under this department.

This lady is a housewife with two children, married to a fellow who works for the Department of Natural Resources, and it is her part of her duties to be at home to look home after her family, but there are many times that there are phone calls at the home she is not able to hear which could be important phone calls. Just as a passing remark, this lady has overcome many many obstacles. She is bilingual, she is able to understand my French, which I think pretty highly of her for it. But there is a process through the Manitoba Telephone System where there is a print-out on the telephone. To have this installed on a regular telephone the cost is somewhere in the vicinity of 1,000. The Manitoba Telephone System would be prepared to install a telephone of this nature with the print-out and they would make the arrangements to see that the payment for that installation would be made small amounts over the months. I was just wondering, and I was hoping that maybe the Minister could make some remarks as to the Department Health assisting people of that nature, in providing them with telephones with print-outs. Would there be anything in the department that the Minister could advise us where there would be assistance to people with this type of a handicap to make them better citizens.

**MR. SHERMAN:** Mr. Chairman, I don't think I can advise the honourable member of an immediate solution to his problem but it certainly is a proposal worthy of consideration by the Insured Services Division of the Health Services Commission. We did, last year, introduce a co-insured service for hearing aids for children, persons under eighteen, and there are other areas of hearing loss and hearing impairment that admittedly still require and deserve attention and it's a program consideration that certainly would commend itself to the department, to me, to discuss with the Health Services Commission to determine how feasible it would be to introduce that as an insured or co-insured program in the future. I would be pleased to seek out fuller details and information on the particular subject from the honourable member and others and examine the possibility of developing that as an insured program. At the moment we don't cover that kind of service.

**MR. KOVNATS:** Mr. Chairman, again to the Honourable Minister. This particular party isn't the least bit demanding. The husband and the wife are prepared to make the payments to the Manitoba Telephone System. It would be a small hardship but they could manage somehow. I guess I was just overwhelmingly impressed with this young lady inasmuch as she is completely deaf, but I guess the part that got to me was that her deafness could have been corrected at an early age. I thought it was under this program and I just bring it to the attention of the Honourable Minister that if there is a program where it could be detected at an early age, the cost of these additional things would not have to be brought in and borne by the provincial government. I know that the provincial government is not bearing the costs at this time but I can see it would be sort of a preventative measure and in the long run, prevention would save the province a lot of money. I would just want this to go on record so that in the future when I do follow up on it that the Honourable Minister would have some awareness of the plight of this one in particular — and there might be others but I have not run into any others but this one — and I guess the overcoming of her handicap to the extent that she has overcome, I just wanted it to go on the record.

**MR. DEPUTY CHAIRMAN:** The Member for Ste. Rose.

**MR. A. R. (Pete) ADAM:** Thank you, Mr. Chairman. I would like to ask the Minister if during the last year or two, possibly the last year if he has, we were talking about public health nurses in the north, he mentioned a few areas where there were nurses stationed. I would like to ask the Minister if he has had an application from the community of Waterhen that a nurse be stationed in that particular area. I know that in the last few days there were questions raised in regard to the excessive amount of taxi trips coming out of that area and there was some suggestion there may have been some abuse, maybe not, but perhaps. I am wondering if the Minister can advise me whether he has received an application from this community for the stationing of a nurse, which is about 70 miles, I think the nearest area would be 70 miles to Ste. Rose. I am not sure how far it is to Winnipegosis but I know it is 70 miles north of Ste. Rose, and if he did receive an application what did the Minister respond to these people in regard to their request?

**MR. SHERMAN:** Mr. Chairman, we did receive a request for a nursing station to be established in Waterhen with staffing. We wrote back to the community making the enquiry and the request and I am not sure, I would have to check the record to ascertain definitely whether it came through the Department of Health or the Department of Community Services but the government wrote back, and I believe it was from my office, that we would take the request under active consideration and keep it under active consideration for the immediate future, but that we are not able to put a nursing station and the attendant staffing into Waterhen at the present time, that the community is served in a public health capacity from Ste. Rose and we cannot establish a nursing station in Waterhen at the moment. However, I have assured the community that we will keep the request under active consideration.

**MR. ADAM:** Mr. Chairman, I am wondering what the rationale is, whether it would not be less costly to have someone in the area and perhaps prevent some of these taxi trips we've heard about in the last week or so, instead of people having to go 70 miles. Obviously, if there are that many people driving to Ste. Rose for health services, it would appear that the health nurse is not making sufficient trips to Waterhen to service that area. And in view of the fact, Mr. Chairman, that the community of Waterhen was offered a detention centre which I know is not in the Minister's department but it was offered to them — I don't think they sent in a request to have a jail at Waterhen and I would just hope that the Minister would substitute a nursing station for a jail in that area.

Now I know their second request, if they are unable to get a nurse stationed in Waterhen that they would like to have ambulatory service, it seems odd to me that we are going out there and offering them detention centres and we can't give them a nursing station. What is the rationale there?

**MR. SHERMAN:** Well, I'd ask the same question myself, Mr. Chairman. What is the rationale? I am not familiar with the proposal that a correctional institution be built in Waterhen, but I can certainly check that, but it's news to me.

The Community of Waterhen is, as I've said, served by a public health nurse who is actually a nurse practitioner operating out of Ste. Rose and she is a professional with an excellent reputation in an excellent professional capacity. So I think that, in relative terms, Waterhen is perhaps serviced far better than some other isolated communities are. That does not detract from their ambition to have a nursing station, but they do have an excellent nurse practitioner available to them.

The only answer I can give my honourable friend with respect to the decision is budgetary. To put a nursing station into Waterhen and staff it would indeed, sir, cost considerably more than supplying the services of a nurse practitioner from Ste. Rose and, to be candid, it has not been possible to accommodate the budgetary request up to this point in time.

**MR. ADAM:** I would like to put in the record a copy of the letter that I received from the community. It's dated, Waterhen Community Council, April 3, 1980, and this is addressed to the Minister of Northern Affairs. And they say: Dear Mr. Gourlay: We were recently offered a detention centre. They don't say that they requested it, it was offered to them. And upon careful consideration from our community, upon careful consideration, decided to turn this down as we felt there are other requirements from our community of greater importance. Our main concern at this time is the poor emergency medical services offered to our area. Now I would say that the Minister has just answered me that there's pretty adequate service. The letter here says that at this time is the poor emergency medical services offered in our area.

This is not only a great concern to us but also to the surrounding communities. We would therefore request — now before I continue, I'd point out that last year they were asking for a health nurse to be stationed there in order to continue. We would therefore request that an ambulance be purchased and placed in the community of Waterhen to serve the Waterhen and

surrounding communities. Our local fire department presently has a minimum required training to serve as ambulance attendants. Also with the recommendations of the Assistant Fire Commissioner for the construction of a new fire station, there would be adequate space to house such a unit. And they close by saying, Please give this your immediate attention and feel free to contact us at your earliest date. This is signed by Mrs. M. Goffert, Waterhen Community Council.

It would appear, Mr. Chairman, that there may be, in all due respect to the nurse, and I know that the nurse that goes out there probably has the highest of qualifications, but I believe that those nurses have too great of an area to cover. After all, 70 miles from Waterhen to Ste. Rose is a long distance. There's a lot of gas mileage involved, automobiles involved, and in view of the fact that there are so many people driving in from Waterhen to avail themselves of medical services there at the clinic, it seems to me that they're not waiting for the nurse to come out. They're going to Ste. Rose. And since the community council indicate by their letter to the Minister of Northern Affairs, that their main concern at this particular time is the poor emergency medical service offered to their area, I would think that the Minister would be concerned about this, as well as the people in that area.

**MR. SHERMAN:** Mr. Chairman, I thank the honourable member for his information with respect to the detention centre. I was not aware of that. That obviously was a request that went to the Minister of Northern Affairs or perhaps the Minister of Corrections. I would presume they would have been talking perhaps about a satellite rehabilitation camp associated with the Dauphin Correctional Institution, not a correctional institution in the conventional sense, but the letter certainly indicates that they have had discussions or consultations on the subject of something in the nature of a correctional facility, and I appreciate that information.

All I can do is repeat what I said, that I will keep the request in active consideration among my departmental officials and myself. There are a great many communities isolated by geography in various parts of the province who request, and legitimately request, improved medical service over that that exists in their communities at the present time. It's something that I am concerned about and we do attempt to deal with, but I'm not able to put a nursing station into Waterhen at this time. However, Mr. Chairman, I give the honourable member the undertaking that I will continue to discuss it and consider it with my department officials and we will be in touch with the Ste. Rose hospital, with our Ste. Rose area departmental public health people and with the nurse practitioner in question, to assess and evaluate for ourselves, the standards of medical care available in the community at the present time.

**MR. ADAM:** Mr. Chairman, I wonder if it would be in order if I could just carry on with the second part of the letter. I know it doesn't come under this particular heading, because Ambulance Program is down in the Manitoba Health Services Commission. But since we are dealing with this letter in totality, I wonder if the Minister could advise if he . . .

**MR. CHAIRMAN:** To the honourable member, I would strongly recommend that ambulances be discussed

under Ambulances, just in case that any information required to give an answer to the honourable member might not be available at this time. I will ask the Honourable Minister . . .

**MR. ADAM:** Well, that may be. I wonder if the Minister could respond to me now and see if he has. If he doesn't have the information — the reason I bring this up now is that I don't want to have to go through the whole letter again and say, what does the Minister think about the ambulance services there. Whether he has that information at his desk now, I don't know — or his staff.

**MR. SHERMAN:** Mr. Chairman, I would have to ask the honourable member what he is referring to, in specific terms, in his letter. Does the letter ask for an ambulance service in Waterhen?

**MR. ADAM:** Thank you. Yes. I read the letter into the record, and this particular letter doesn't ask for a nursing station. I know that there's been a request previous to this letter. This letter indicates that they were offered a detention centre and they have turned it down on the grounds that there are other priorities in the community, and the other priorities are emergency health. They suggest that they would like to have an ambulance stationed there. Now would the Minister comment on that, or should I bring it up later?

**MR. SHERMAN:** Mr. Chairman, I'm not familiar with the specific request of the community of Waterhen in this respect. We would have to look at it with the Manitoba Health Services Commission and with the officials of the Ambulance Program under the Commission, and I will do that. But I must advise the honourable member that it probably would be extremely difficult to supply an ambulance service to Waterhen under the parameters of the Ambulance Program as it is presently established and operating.

The Ambulance Program is a program, as he knows, that is designed to help municipalities supply and operate ambulance services in their areas. The rationale for the program — I admit that the whole program is under review and there are improvements and innovations that are necessary, that are receiving current consideration in my office — but the rationale for the program was to provide per capita grants to municipalities to enable them to develop and operate their own ambulance systems and services in which the community and its citizens would play a role. Those communities that do have ambulance services rightfully play a proud role in the main in their Ambulance Programs.

There is support provided through the per capita grant supplied by the province under the Ambulance Program, but essentially it is a municipal operation largely dependent on volunteers and on pride of citizenship. I don't think Waterhen qualifies either as a municipality or — and I stand to be corrected on this — would qualify from the point of view of a viable per capita grant based on population. So I can't at this juncture suggest to the honourable member that it's practical to consider establishing an ambulance service in Waterhen, but I will certainly read the letter in the next few minutes and discuss it with our Ambulance Program personnel at the Commission.

**MR. ADAM:** I sent the letter, the copy that I received, to the Minister and if he cares to keep the copy, he could have a copy made and return my copy after he's through with it.

**MR. CHAIRMAN:** . . . —pass; (3)—pass; (a)—pass. (b) Public Health Nursing Services . . .

**MRS. WESTBURY:** Could I ask a question on (a)(3) please, External Agencies, Mr. Chairperson?

**MR. CHAIRMAN:** Certainly. The Honourable Member for Fort Rouge.

**MRS. WESTBURY:** I just wanted to know if the Minister could tell me which agencies are the beneficiaries of this 55,000.00.

**MR. SHERMAN:** Mr. Chairman, they are the Canadian Public Health Association, Planned Parenthood Manitoba, and the St. John Ambulance Council.

**MR. CHAIRMAN:** Item (b) Public Health Nursing Service (1) Salaries—pass — the Honourable Member for Fort Rouge.

**MRS. WESTBURY:** Could the Minister please tell us why and how these salaries are reduced this year?

**MR. SHERMAN:** This, of course, once again is the Directorate, Mr. Chairman, and does not refer to the public health nurses in the field delivery service that comes under Community Health Services. There is no reduction in staff. The SMY total is the same as last year, 8, but they're lower paid incumbents in part and that accounts for the approximate 3.2 thousand reduction in the Salary appropriation.

**MR. CHAIRMAN:** . . . (1)—pass; (2)—pass; (b)—pass. (c) Continuing Care Services: (1) Salaries—pass — the Honourable Member for Fort Rouge.

**MRS. WESTBURY:** Thank you, Mr. Chairperson. I'm concerned about some of the needs that are still being felt in the community that I believe come under this particular section of the estimates. One of the needs which I believe has never been met in this province is the need for the young disabled who require extended care. Usually they are put into the same extended care facility as the elderly extended care patient and I don't think that anyone will disagree with this, that is not perhaps the happiest solution to the problem, apart from the fact that it's not always easy to get a bed in an extended care facility for a youthful disabled person. A few years ago, two young men who were very brilliant students and who had been at school with one of my daughters were victims of an automobile accident in the east, and one of them was killed and another one was permanently disabled to the extent of medically being referred to as a vegetable, and was hospitalized in the east, in Ottawa, for some considerable time until it was felt there that they couldn't do very much more to help him. The family had a strong desire to bring this young man back to Winnipeg and it became absolutely impossible to find a bed for him in a facility that was suitable for the kind of lifetime treatment he was going to need. This proved to be a great, well, the whole thing was a tragedy, but just the additional burden of not being able to bring their son home just

added to the tragedy for these parents. They got in touch with me because I happened to be on the board of the municipal hospital and I intervened and eventually we were able to find a bed, but I don't think that's a very good way for a solution to be found to a problem, for someone to have to go to someone who they think has influence.

Mr. Chairperson, I want to suggest that in my original home town of Auckland, New Zealand, a hospital has been constructed with one wing to care for geriatric patients and another wing for the young disabled and young people who are suffering from long-term illness and so will be in hospital for many months or even years. And one of the concerns is — and this doesn't apply to the young man I was referring to earlier — but some of these young people are mentally fairly alert but they have social needs, and emotional needs, as well as their physical needs, and when they are in hospital they need to be able to see other people of their same age who won't be intimidated and scared by the hospital surroundings and the surroundings of extended care patients and those things can be very scary for someone who is not used to it. I would like to suggest that when we're planning for the physical needs of young long-term patients, we should also be planning for their emotional and social needs just perhaps by putting them into a separate part of the hospital or the extended facility where their friends will be able to come, their spouses and their children, if they have any, will be able to come and they will be able to live at least for a little while in each visiting time as some reflection of the kind of life and the kind of interests that they had before they had to enter the hospital. I think for the sake of their emotional equilibrium it's essential that we start putting these young extended care patients into this kind of . . . to have a portion of a hospital for these young people instead of putting them in with people who are perhaps 40 and 50 and 60 years older than they are.

The Minister is well aware of the fact that at the Winnipeg municipal hospitals we've — they, I still think of myself as being a board member — they have had polio patients there from the early 1950s. For those people, for nearly thirty years, that has been their permanent home and they have had to say goodbye to any normal family life. One or two are there who were children when they entered and they have never had another home since that time but the King George Hospital, the Winnipeg Municipal Hospitals, and I suggest that people like have different needs. They should be surrounded by a different decorating scheme. Some accommodation should be made for their social and emotional needs. And I hope that the Minister, in planning future extended care facilities, or even present extended care facilities, will consider this particular type of person and the particular type of need to which I have been referring.

**MR. SHERMAN:** Mr. Chairman, it is unquestionably an area and category of special and specific need and we attempt to address it through certain facilities and programs that are available in addition to the personal care home field. There is no question that some persons who are physically disabled but under the age of 65 are residents in personal care homes. In the main, however, personal care homes are occupied by elderly persons and certainly there is no overloading or heavy volume of occupancy by younger physically disabled

persons where personal care beds or even extended care beds are concerned. There are some specific facilities equipped to deal with the specific types of citizens, disabled citizens, to whom the Honourable Member for Fort Rouge refers. 1010 Sinclair, for example, is a residence for severely physically disabled adults, many of whom are young adults, most of whom are young adults, and it falls into the category really of a half-way house in that it is a residence that functions in such a way as to help those physically disabled residents integrate themselves into the community. As far as I know, most of the residents of 1010 Sinclair hold down regular jobs, although there may be some who don't, but certainly the intention is that this is the type of residence where a disabled young adult can live and be relatively independent, have the necessary support to accommodate his or her physical condition, but at the same time be functioning in the community and useful activities and in useful employment.

There is another project, program, called Focus 1 which consists of nine suites in an MHRC housing development especially designed for graduates of 1010 Sinclair, and those suites are now occupied by graduates of 1010 Sinclair. These are young to middle-aged male adults who are confined to wheel chairs. All of them are either employed or attending school or university, Mr. Chairman. All of them are virtually independent in terms of housekeeping and this is the concept of independent apartment living. They have some dependency in areas of personal care and the care that they require is provided to them by home care.

We are, through the Department of Community Services, which operates in the same general area in concert with the Department of Health, developing a second project and facility of that nature called Focus 2 — it will be similar to Focus 1. It will occupy a former commercial apartment block and it's being planned to serve some 10 to 15 graduates of or former residents of 1010 Sinclair who are now considered ready to leave. They are even more disabled than those in Focus 1 and they will require a heavier input from home care but they are capable, willing, and anxious to get back into the mainstream of community living and Focus 2 will enable them to do that to a degree of independence which will be the ultimate that they can attain in their physical conditions.

Certainly there are services of the type referred to by the honourable member at the municipal hospitals but in large part we attempt through home care to serve the physically handicapped to whom she refers. Our home care services represent a program that I think all of us would acknowledge as one of the great health and community services programs in North America, and is in fact a model for other jurisdictions and is in fact called upon to offer advice and counsel to other centres and other communities in the United States as well as Canada in this field of alternative care. Our home care officials and leaders have made presentations in Washington, D.C., and various other centres of North America, showing the way to interested communities in this field of alternative care and our physically disabled, where it is necessary, certainly have home care services available to them.

Nobody disputes the element of personal tragedy that is referred to by the honourable member and that is so much a component of these individual cases and I can assure her that they occupy a considerable amount of the attention of my colleague, the Minister of Com-

munity Services, who is essentially the Minister responsible for some of these facilities that I have referred to and is also the Minister responsible for the rehabilitative services directorate which deals not only with rehabilitation in the mental health and mental retardation fields, but also physical rehabilitation.

**MRS. WESTBURY:** I thank the Minister for the information. Actually I didn't understand that 1010 Sinclair and the other places to which he referred came under his department. I thought they were housing, and I was going to have something to say about those under Community Services as well. There is also a similar residence on Assiniboine Avenue. Is that the Focus 1? That is the Focus 1; because I went down there and toured some of those apartments at the request of some of the residences and I know how adequately they do represent the needs of the handicapped people who live there and I'm delighted that is being done. They tell me that there are waiting lists and they need more. But I was really referring more to people who have continuing and long-term medical needs to such an extent that they have to be in hospital, not those who are partly independent and who can live in a home care situation in apartments or similar residences. I'm talking about people such as the polio patients from the 1950s who have never left the hospital, and others who are going in with permanent paralysis following an accident or something, but whose mental capacity is still youthful and healthy and who have the need to be able to live and associate, and to meet their friends and relatives in an atmosphere which is not totally alien to them. That's why I'm suggesting that in — I know there aren't many of these people and, goodness knows, I hope we'll never have anything like the polio epidemic again. But there still are some and a few more, unfortunately, come every year. I'm just suggesting that somewhere in one of the extended care hospitals there should be — and I'm talking about extended care rather than personal care, Mr. Chairperson, because I want to talk about their hospital, their medical needs — I think that in some extended care hospital there should be a wing which is suitable for the young disabled or long-term medical patients, as well as the personal care.

**MR. CHAIRMAN:** The Member for Flin Flon.

**MR. TOM BARROW:** Mr. Chairman, the situation in Flin Flon is unique. I don't think it would happen anywhere else but in my area. We're quite happy that we have a home care extension to the hospital that's come along very well. The Lions Club took it upon themselves to furnish each room and the response has been terrific. But as the Minister knows, Flin Flon is a border town. We get South Hudson is in the city proper; it's right in the city, but they're in Saskatchewan. And we have Creighton, a mile from Flin Flon, and what I'd like to ask the Minister is, why couldn't these two places be included in the plan and have the same opportunity as any other citizen? Because, really, it's only considered as one large area.

I have a letter here from the trades people that with your permission I'd like to put on the record, Mr. Chairman. It's very short. Dear Sir: Recently there's been several discussions between various members of our organization with regard to the personal care home being built in Flin Flon. For many years there's been

a peaceful co-existence between the centres of Flin Flon and Creighton. Whatever has been constructed in either community has been for the benefit of both communities. Now this seems to have come to an end with the construction of the personal care home and the decision by the Manitoba Government not to allot rooms for Creighton residents on the same condition the Manitoba residents will receive. If this decision is allowed to stand, will the residents of Creighton have to build their own swimming pool? Will the people of Flin Flon be able to use Creighton's Sportex? We hope this is not what the future holds due to government bureaucracy. In writing this letter, we are requesting the British organizations to exert pressure on the Manitoba government to reverse their decision, so Creighton residents will have the use of the personal care home facilities as well as Flin Flon residents. Thank you for your attention. I'll table this with the Minister, Mr. Chairman.

I hope the Minister will take a good look at this situation because it doesn't make sense to separate people that live in such a close proximity. —(Interjection)— Yes.

**MR. SHERMAN:** Mr. Chairman, I will look for the letter and study the contents in the letter read into the record by the Honourable Member for Flin Flon, and I will examine it under the Personal Care Program. The medicare costs, medical costs, should not be a problem because whether or not the person is resident in Creighton or in Flin Flon, whether in Manitoba or Saskatchewan, they would be covered under Medicare. But insofar as accepting — and I haven't read the letter that the honourable member has provided me with yet — but insofar as accepting applications for residency in the Flin Flon Personal Care Home from residents of Creighton, I would think that the board of the Flin Flon Personal Care Home would determine and dictate their own policy in that respect and no doubt, would concede that some beds should be made available to residents of Creighton, but I would think that it would be a minimal number of beds in view of the fact that they have their own community to look after, obviously. In that case, I expect that we would bill Saskatchewan for the insured service provided to those Saskatchewan residents in the Flin Flon Personal Care Home. I would expect that would be the kind of arrangement that would exist between any provinces in similar circumstances, but I will examine that and perhaps we can discuss it further under the Personal Care Home Program.

**MR. CHAIRMAN:** (1)—pass — the Honourable Member for Transcona.

**MR. PARASIUK:** I just want to clarify something here with respect to Community Care Services. This is really a consultative service I would think to the Continuing Care Program in the Department of Community Services. It also pays for the panels, but the actual process of panelling is one that originates by and large with staff in the other department. That is, there are continuing care people throughout the community in hospitals, wherever, and either a doctor or a relative of a person requiring home care or personal home care contacts that entity and that sets off a panelling process. Is that correct? Because at same time it might be useful to discuss that further when we get into the Department of Community Services, because there is that

type of fragmentation. It would strike me that, given the limited amount of money in this particular appropriation, it strikes me that this a fairly specialized expenditure. Is that correct, because when I raise this in the other department, I don't want the Chairman rule me out of order. I just want to clarify that procedure.

**MR. SHERMAN:** That's correct, Mr. Chairman, and it's really under the Department of Community Services where that should be discussed. This is the program co-ordinate and control office that provides consultative and support service to the Continuing Care Program and the placement function — the panelling and placement function. It provides support services and assessment for placement in personal care homes or for an alternative level of care. But it's the program directorate and the area in which consultation and conceptualizing of Continuing Care services is developed. The subject area that the Honourable Member for Transcona is concerned about should properly be examined in detail under Community Services.

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

**MR. SAUL A. MILLER:** Mr. Chairman, a couple of questions. Firstly, what is the staff complement in this because it's difficult to break this out from last year. The other is the term alternative level of care. Is that in place of, let's say, panelling for personal care homes, they might say, well, you should be in a home care program and they make that determination. In other words, do these people make that determination, or are they really your planners and thinkers for the program?

**MR. SHERMAN:** The total staff man years in this branch, Mr. Chairman, are 12 1/2 central directorate. It has a staff component of 6 1/2 SMYs, that's the home care and personal care home placement service; services to the aged have a staff component of 3 SMYs; research has a research component of 3 SMYs for a total of 12 1/2. Now, the office that we're looking at here has a representative on the Winnipeg panel, and it's the Winnipeg Placement Panel that makes the determination as to placements in Winnipeg. Outside of Winnipeg the placement panels are community-organized, community-oriented and community-located consisting of the various disciplines in health and community services and hospital and health facility services and individual doctors that work in the field of geriatrics and health care generally in those communities. The only panel in which this office has a direct input is the Winnipeg panel, placement panel.

**MR. MILLER:** Mr. Chairman, am I to assume that this group, this Continuing Care Services group that we're talking about, the only involvement of panelling is in the city of Winnipeg as the Minister says. Is it the 6 1/2 people or staff man years that are involved in this panelling, or is it one person only from this central group that's involved in any panelling within the city of Winnipeg, or is it all 6 1/2 that can be called upon?

**MR. SHERMAN:** Perhaps it would help if I give the honourable member the breakdown of the staff, Mr. Chairman, but let me say in preamble that this office develops the guidelines for home care and personal

care home placement and the panelling process, and also monitors those guidelines. The 12 1/2 staff man years break down into 6 1/2, as I said, for home care and personal care home placement and they include a director, and a program specialist, and a program evaluator, and a co-ordinator of statistics, and 2 1/2 support staff. That group is responsible for co-ordinating government and agency delivery, for providing policy interpretation to regional and agency staff, for interpretation to regional and agency staff, for consultation and for monitoring standards and reporting on program trends and impacts.

There are three SMYs in services to the aged, including a director, a program specialist and one support staff. That component is responsible for co-ordinating regional staff services to the aged and for liaising with private agencies. Then there's a research component of three SMYs, including a director, an analyst, which is a term appointment, and one support staff. That component provides part-time consultation on research and aging to continuing care central staff and to regional staff, in addition to staffing the department's responsibilities for health manpower studies and health research. We have a continuing advisory committee on health manpower under this research component, or associated with this research component, to advise the Ministry on health manpower situations and needs. With respect to the honourable member's other question, it's my understanding that one person from the central directorate of home care and personal care home placement serves on the Winnipeg placement panel.

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

**MR. MILLER:** Mr. Chairman, I think I fully understand it now. So really, it's this group that develops the guidelines. They're the ones that determine what are the criteria for entry into a personal care home or placement on a home care service. If they decide that they — if they want to be more liberal in their approach to it they can make placement easier for people and give them greater access to home care care or personal care homes or, on the other hand, if the guidelines are more restrictive, then they can slow down the flow, depending on the guidelines. So that when they use the term person must be at risk to qualify for home care, the definition of at risk is very important. And do they determine that at risk means you've got to have been hurt and need to walk on crutches and therefore can't do certain things, that you might get home care? On the other hand you may be 90 years of age and somewhat feeble, but nonetheless you can still get around, that maybe you don't need home care. So it is this group here that determines the flow into the personal care homes, accessibility to personal care homes, the panelling for it, or the home care service. I think this is a key group therefore, because in the other community services, all they do is deal with people who have already been panelled. They can't get involved if somebody hasn't been panelled. They only deliver the service once the panelling has taken place. Am I right on that? Therefore this group is the key to entry into either program. They set the guidelines, they set the parameters, they set the qualifications of people in order to qualify. And the Community Services does nothing beyond them being told that Mr. X or Mrs. So-and-

So has been panelled for home care and then they will proceed to provide the home care, but if they don't get the green light, for Winnipeg at least, from this group, this one person who is on the Winnipeg panel, then they will not act. Am I right on that?

**MR. SHERMAN:** Not really, Mr. Chairman. This group that we are looking at here does not draft guidelines and does not modify guidelines. The guidelines for personal care home placement and for home care are set and established, and they can't be changed without the approval of the Minister. What this group does is monitor the activities, the placement examination process, the home care application process, to ensure that the guidelines are followed, and where there are questions they interpret the guidelines to the regional staff, to outside agency staff, to the Winnipeg panel, and to panels in communities outside of Winnipeg. But they have no authority to change or modify those guidelines or to institute new or different guidelines, that is the prerogative of the Minister. They are there to police the process, to monitor the process and ensure that the guidelines are followed and adhered to.

**MR. CHAIRMAN:** 1—pass — the Honourable Member for Transcona.

**MR. PARASIUK:** Just to follow up the Minister's statements, is he saying that it is the Minister of Health or the Minister of Community Services who is ultimately responsible for the guidelines? Is it the Minister of Health or the Minister of Community Services, which one? Which Minister is responsible for the guidelines?

**MR. SHERMAN:** It is the Minister of Health, Mr. Chairman.

**MR. PARASIUK:** Are those guidelines, since this relates to a public program the people ask questions about, are those guidelines public, and could we get a copy of the 1977 guidelines or 1976 guidelines and the guidelines that are in effect right now? Is the Minister indicating that those guidelines are the same today as they were four years ago?

**MR. SHERMAN:** Those guidelines are certainly in existence. When the honourable member asks me whether they are public or not, I can't advise him as to whether they have been made public or have been entered into the public arena, but there is certainly no reason why members of this Legislature should not be acquainted with them or have them made available to them. They haven't changed under this government, they have been guidelines that have been in existence for some time and certainly they can be made available to the honourable member and his colleagues.

**MR. CHAIRMAN:** 1—pass; 2—pass; (c)—pass; (d) Psychiatric Services 1. Salaries—pass. The Honourable Member for Transcona.

**MR. PARASIUK:** I think there is some overlap between this department and the Department of Community Services. I see there is an for community-based mental health systems in the Department of Community Services. I see this item is providing support services to that delivery program; if that's the case then we'd let this item pass and we'll discuss it in total when we

discuss the Department of Community Services. I just want that understanding so that there isn't difficulty or friction a week from now.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. SHERMAN:** Mr. Chairman, this branch does, yes, provide support services to community-based mental health systems, but includes forensic services, staff support of the Winnipeg Psychiatric Institute and support for the Eden Mental Health Centre. For example, four staff positions at Eden are civil service positions, and their salaries are paid from this appropriation, so that the inference drawn by the Honourable Member for Transcona is essentially accurate but I wouldn't want him to assume that there is no function or role or responsibility here relative to other institutions such as Eden and the Winnipeg Psychiatric Institute.

**MR. CHAIRMAN:** 1—pass — the Honourable Member for Fort Rouge.

**MRS. WESTBURY:** Mr. Chairperson, would the Minister please advise us if this where we should talk about the number of trained psychiatrists in the province, or if this should come under another section?

**MR. SHERMAN:** Mr. Chairman, I don't know whether we can talk about the number of trained psychiatrists in the province under this appropriation, or whether it would be best dealt with under the medical program. But I can provide the Honourable Member for Fort Rouge with a breakdown of the staffing of the SMY's, including psychiatrists who operate under this branch of Psychiatric Services such as in Children's Forensic and in the Mental Health Centres that I've referred to. With respect to the two primary provincial mental health centres, Brandon and Selkirk, and the psychiatrists attached thereto, that of course was covered under 76, 2.(c) Institutional Mental Health Services.

**MR. CHAIRMAN:** (1)—pass, (2)—pass; (d)—pass. (e) Health Education, (1) Salaries—pass; (2)—pass; (e)—pass; (f) Home Economic Services, (1) Salaries—pass — the Honourable Member for Seven Oaks.

**MR. MILLER:** Mr. Chairman, I noticed there's a reduction here in salaries. I wonder if the Minister could give us the SMY's here? Are there more vacancies, or are there less people on staff?

**MR. SHERMAN:** Mr. Chairman, again there's been a staff turn-over, as was the situation with respect to a branch discussed just a few moments ago where this same situation occurred. The SMY complement was 12 and remains at 12. The salary appropriation is some 7-1/2 or 8,000 lower this year than last year because of that turnover and because we had lower paid incumbents in some of those positions — no vacancies, Mr. Chairman. The complement consists of a program director, five home ec. specialists, and five support staff, and in some of those subordinate positions we have, through turnover, lower paid incumbents at the moment than was the case perhaps a few months ago.

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

**MR. DESJARDINS:** I have some concern here, especially if we are losing some of our senior staff. It seems to me that this is one area that we probably weren't doing quite as well as we should have. I think that the Minister has paid lip service anyway to the question of the fitness and prevention and so on. At one time this wasn't considered as much of a priority except maybe to the dedicated people that were working in that department. It was felt by many others - it was always difficult to get any increase in that area, and I am quite concerned because I think we know more than ever now, how important nutrition is. I hope we did cover that very rapidly under the Minister of Fitness and Amateur Sports. This is an area that I felt was a good thing when we had fitness under the Minister of Health, and I still feel that we should, at least that there should be co-operation between the two, and discussion between the two. The Minister of Fitness told us that so far there had been very little discussion with other departments.

A few years ago, just before this present government took over, we had set up an interdepartmental committee to look after fitness, the Department of Education, the Department of Health, that had fitness also under the same department and Community Services as you know it now. And this was being done. I don't see too much improvement here. I wonder why? I wonder if the Minister feels that this is an important thing, or is it just that we had so many staff and that's it. There's approximately 7 or 8 or 9 thousand less, are we losing some of our senior people who were — I think they made it function sometimes in spite of the government, and I'm talking about in our days too. But things have changed. I think that we realize more than ever that diets are very important. I don't mean diets necessarily just for people that want to reduce, I am talking about diets and proper food. We've talked about that, and I don't intend — I think we gave it a good ride last year. We talked about the junk food in schools. We talked about advertising. We talked about all kinds of things, but there doesn't seem to be much interest in this department, by looking at this line in the estimates, and I wonder if the Minister has any plans? Is he talking to the Minister of Education?

On that particular thing, I know that they meet and say hello once in a while, and they sit around the same table in Cabinet, but I really want to know if there is an effort to try. The Minister of Fitness and Amateur Sports told us that he was getting moving in that direction finally; all the programs that we had, had been frozen, and it's only now, practically in the fourth year that there is going to be, or the third year, that there is going to be any change. I wonder if the Minister of Health is, I'm sure he's aware of it, is he taking this seriously? Is he concerned about this? Does he have any plans? Is he discussing with his colleagues that should be interested in this? Are there any suggestions that we made last year, and we made quite a few, and the Minister seemed to be receptive to them — is there anything to announce in the schools, the junk food in schools for instance, even in an area such as this. I wonder if the Minister could at least tell us a little bit about that, where he's going with that department, or is it just something that will be stationery, that won't move, that is not improvement.

**MR. SHERMAN:** Mr. Chairman, in the area of home economics and home ec. services, actually nutrition

education is the major service provided. I want to assure the Honourable Member for St. Boniface that it certainly has my interest, and I have attempted to demonstrate, at least in small measure, my belief in proper diet, proper nutrition as a major health and lifestyle thrust and preventive medicine thrust through support that we have given both financially and morally to the Manitoba Dietic Association for one, and to the efforts through this department and through health education and films, publication and library services to promote good nutrition programs and good nutrition attitudes. The field generally is not underserved or underserved and there is no shortage of home economists. We are looking here at a central directorate of 12 SMYs, as I said, but in field services we have home economist staff totalling 13 who are budgeted under Regional Personal Services in the Department of Community Services under their regional field service delivery system. Field services are delivered by those 13 field staff located in — Thompson, 2 home economists; WestMan, 1; Winnipeg, 8; and NorMan 2. In addition, there is a distribution of home economists in the Department of Agriculture covering five regions, Interlake, EastMan, Central, WestMan, and Parklands, and totalling 17 home economists in all.

I think, Mr. Chairman, that it can be safely said that we are emphasizing the home economist and the role of the home economist and we are well served by a pretty substantial complement of home economists in the field between the two departments, independent of this central directorate we are looking at. Now it's true that, particularly with the central directorate staff that I've referred to, there has been some attrition and some turnover, and some replacements have been necessitated. But the leadership, the directorship, of the home economics service remains unchanged, remains under the direction of Dallas Goodchild and we do have the expertise and professionalism there that we have always had, and I am grateful for that fact. Some of the attrition has been due to pregnancies and perhaps when we are looking at home ec. and dietetic education and information, we should be looking at the entire field of supply of home economists and acknowledging the fact that attrition does develop for reasons of pregnancy in this field to a pretty substantial degree. Whether that indicates that home economists are more desirable as parents or whether they are more oriented to raising families than they are to long-time careers in the field, I would't deign to answer, Mr. Chairman. But that has been the reason for some of the attrition and some of the necessary staff replacement. The primary programs, as I say, in this area are nutrition education and money management and home-making skills and housing and a volunteer program. The case load of services provided and persons reached is large and growing. The total nutrition program in the province of Manitoba in 1978-79 reached 28,525 people with what is described as face-to-face educational programs and individual services including prenatal and infant nutrition and school nutrition. Large numbers of elementary school teachers have participated enthusiastically in training and are carrying out nutrition education in their classrooms. 5,800 teachers have attended workshops in the last three years. Hopefully, that is having some impact and effect on the area that the Member for St. Boniface referred to, the area and problem of junk foods in the schools.

I have not conducted an assessment or a survey of the prevalence of junk foods in our schools over the past short period of time to determine whether it's greater or lesser than it was when we last discussed the subject, but certainly in our efforts to get at teachers and the education community, that is one of the subjects that is emphasized. When we are talking diet and good nutrition we are certainly emphasizing the desirability of having healthy food services and healthy foods available to our school populations rather than the kinds of foods described as junk foods that provided minimal or no nutrition and that have been deplored by many speakers in this Legislature in the past few years.

I think I can reassure the Honourable Member for St. Boniface that that thrust is being taken and is being pursued and is being expanded. The other programs such as I have suggested in the areas of money management and homemaking skills and housing are similarly important and have reached a large number of people. In the past year, 3,826 people were reached in the money management programs which are designed for young families and low income families especially and deal with premarriage clients too, because of the obvious opportunity for preventing problems and anticipating problems among young people entering marriage, and programs designed to save money by helping people in their own homemaking skills and housing, including maintenance of homes and repairs and that sort of thing, reached 6,578 people in the past year.

I have no hesitation, Mr. Chairman, in assuring the committee that the home economics directorate and the home economics branch and service is an important one, recognized as an important one by my office, and that it's productivity and its results are, I think, impressive and growing. By way of illustrating that I would like to just note for the record that one of our personnel, Linda Diener, a nutrition specialist for the teacher's resource guide, won the national award for excellence in nutrition communications this year. That competition is sponsored by General Foods, and it was a source of pride to the department and the government that Linda Diener won that award, which I think is a recognition of the services of our home economics branch in total, and of the quality of work done by that branch extending beyond Linda Diener and beyond Dallas Goodchild to everyone involved in this particular area.

**MR. CHAIRMAN:** (1)—pass; (2)—pass; (f)—pass; (g) Dental Services — the Honourable Minister.

**MR. SHERMAN:** I move Committee Rise, Mr. Chairman.

**MR. CHAIRMAN:** You wouldn't want to finish this last page? Committee rise.