



**Fourth Session — Thirty-First Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**

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## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 28 April, 1980

Time — 8:00 p.m.

### CONCURRENT COMMITTEES OF SUPPLY

#### SUPPLY - URBAN AFFAIRS

**MR. CHAIRMAN, Morris McGregor (Virden):** I call the Committee to order. We're on Resolution No. 119, 1.(b) — the Honourable Minister.

**HON. GERALD W. J. MERCIER (Osborne):** Mr. Chairman, when we adjourned the Member for Wellington was posing a question. I wonder if he would repeat that question.

**MR. CHAIRMAN:** The Member for Wellington then on the repeat of the question that was interrupted at 4:30.

**MR. BRIAN CORRIN (Wellington):** I am somewhat timorous to repeat the question on invitation, Mr. Chairman, because I presume that means that the Minister now has a very good response and answer. The question was, just so that we can refresh our collective memories, whether or not the Minister was stating categorically that he had been advised by Mr. Pepin that matched funds on a 50 percent contribution basis would not be forthcoming if the province and the city were to provide 50 percent motivational funding under The Rail Relocation Act and the context of that was that it was my belief that the federal government could not but act on such a request.

In other words, Mr. Chairman, if the party desirous or parties desirous of obtaining rail relocation relief were to make a commitment up to 50 percent of the funding, it's my understanding that the federal government has no alternative but to place the matter before the Canadian Transport Commission for the appropriate studies and approvals. That's not to say that the Canadian Transport Commission has to rubberstamp or that all the affected municipalities need also provide endorsement, but it was my understanding, and I'll be corrected if I'm wrong, that at that point the onus was on the Transport Commission and there was no opportunity for the federal government to unilaterally withdraw from participating in such activity.

**MR. MERCIER:** Mr. Chairman, this helps. What the federal Minister indicated was that the only moneys available from the federal government to assist with rail relocation were the moneys included in the UTAP program which was announced a couple of years ago, and as I say in Manitoba a total of 10.2 million was allocated to the province, 7.6 of that was allocated to the city of Winnipeg for the Sherbrook-McGregor overpass and/or relocation.

**MR. CORRIN:** Yes, on that point then, Mr. Chairman, the question is, though, did the federal Minister indicate — and I believe if my memory serves me correctly that the Minister indicated this to be the case in his remarks this afternoon — did he indicate, did Mr. Pepin indicate that there would be a

refusal to fulfill federal obligations pursuant to The Rail Relocation Act in the event that the city invoked the 50 percent participatory provisions of the legislation? It is my understanding, Mr. Chairman, that if the applicant puts forward a proposal wherein they take responsibility and commit themselves for 50 percent or more of the funding, that the federal government must, as a matter of course, participate in the Canadian Transport Commission Hearings and at that point the decision is essentially delegated to the Transport Commission for final determination. If that is not a correct interpretation of the legislation, I would like to know the actual provisions. I would like to whether the Minister, in fact, said that he wouldn't go 50 percent in the event that we, the applicants, were willing to do so.

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

**MR. MERCIER:** Mr. Chairman, the Minister never said he wouldn't go 50 percent specifically. That was never discussed. What he said was the only moneys that the federal government will contribute to rail relocation is the amount of moneys allocated under the Urban Transportation Assistance Program. The Act, Section 11(2) states that a relocation grant shall not exceed 50 percent of the net costs of railway relocation as determined pursuant to Section 13. Section 13 simply says, The Commission shall determine the net cost of railway relocation for the purposes of this part in accordance with the rules. So the relocation grant under the legislation could be up to 50 percent. Mr. Pepin is saying that the only moneys that we will contribute are the moneys included in the Urban Transportation Program.

**MR. CHAIRMAN:** I have a bit of a problem here, is it on the same question, because I had recognized the Member for Fort Rouge really?

**MR. CORRIN:** It is collateral, Mr. Chairman. It is just on this one point. I am wondering, Mr. Chairman, in view of the fact that there doesn't seem to be any differences to our interpretation, I think that we seem to be of one mind with respect to the interpretation of this legislation. I am wondering whether anybody in the course of the meeting with Mr. Pepin asked him what would occur if the city and the province of Manitoba were to, between them, make a commitment to 50 percent of the cost of the rail relocation. The reason I am asking that, Mr. Chairman, is because all the discussions that we read about in the newspapers seem to be predicated on the city putting up approximately 1/6 or exactly 1/6 of the total cost and they had made a commitment in that respect before they went to Ottawa. The province seemed to be relatively mute as to the level of commitment it would make, and it seemed to me in following the course of the reports and the news emanating from the federal-provincial civic tri-level meeting that the federal government was indeed put in a somewhat unfair position in that

they were the ones who were asked to do all the bargaining. Now, I'm not, Mr. Chairman, the official apologist of the federal Liberal Party, but seems to me that in fairness, in order for there to be fruitful negotiation, all parties have to come with something that they are willing to commit. As I said, the city committed one-sixth and Mayor Norrie said that it was no good. Mayor Norrie was quoted in the papers as saying that it virtually spelled the demise of the proposal, simply because it was nowhere near the 50 percent basement threshold level that would invoke the provisions of the Act. Mayor Norrie was quoted as saying, and suggesting, that the city should have done better.

The province, to my knowledge, Mr. Chairman, never made any commitment, and seemingly waited for the federal government to make a response to the civic application. Having found out that the federal government wasn't willing to put up much money, the province sort of slunk back to Manitoba and said, it's the fed's fault, and Mr. Axworthy has to swallow his pride and accept defeat. But the reality, Mr. Chairman, I think, and I think Mr. Axworthy tried to make the point, and I'm not sure anybody listened, but I thought it was a good point. He said that in order for this thing to proceed on a viable basis, all the parties had to be willing to commit something to the pot, that it didn't seem quite appropriate that some parties were effectively stonewalling the negotiation.

So what I want to know is whether or not the province is willing to indicate what their commitment would have been. Would, for instance, the province have been willing to commit more than the city's one-sixth? Would they have been willing to make up the same amount as the city, and bring up the civic provincial contribution to a full third? Or would, in fact, the province have been willing to provide one-third themselves — I think that amounts to a contribution of double the civic contribution — and ask the provincial government to make up the remaining 50 percent balance?

**MR. CHAIRMAN:** I just wonder if I could, at 4:30, the Member for Wellington asked for a brief question, and I had recognized the Member for Fort Rouge. So I'll allow the Minister to answer this and then we'll get back on track in a reasonable, fair manner.

The Honourable Minister.

**MR. MERCIER:** Mr. Chairman, a simple answer to that question is, sure, Mr. Pepin said, if the city and the province want to go ahead with relocation, go ahead, but the only contribution you're getting from the federal government is what's in the UTAP program.

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

**MRS. JUNE WESTBURY:** Thank you, Mr. Chairman. I'd like to say that sometimes I find it difficult to say nice things about anyone around here, but I would like to acknowledge the fairness with which I think you work from the Chair. Don't take the applause off my time, please.

Mr. Chairman, I listened with amazement to the fictionalized account of recent political matters in

Winnipeg as outlined by the Honourable Member for Elmwood before the break. To my amazement, you know, he sounded exactly like Ann Steen, the defeated Conservative Candidate from Winnipeg North, when she came to Winnipeg city council and said, forget relocation and put in an overpass, and to heck with whatever happens to anyone else, or what anyone else wants.

His whole approach to this seemed superficial, off-the-cuff, he talked a lot about fractions, halves, quarters, eighths, sixteenths, but I would like to say that he was only fractionally informed in the whole matter that he was talking about on this overpass. He said that the present Member of Parliament for Winnipeg Fort Garry, the former Member for Fort Rouge, blew the relocation. Mr. Chairman, Mr. Axworthy has been a member of an elected government for eleven months. The Member for Elmwood was a Minister of Public Works in the government that was in office for, what was it? Too long — eight years. And they didn't even go to the feds with a proposal. I want to go in a little further into this Act and what the requirements are. But to say that a member — he wasn't even a member of the elected government for eleven months, my mistake, he should have been, but there was a brief hiatus there when a ghastly mistake took place in the nation of Canada politically. For what, two months then? Two months, and he blew it, says the Member for Elmwood.

And what a joke. Where has the honourable member's colleague, the Member of Parliament for Winnipeg North Centre, been for what, 40 years? And he was, I believe he is sincerely committed to relocation of the rail yards. And what is he going to say about him, has he been successful then? I sat here, and I think I watched the Member for Wellington going white — not in the hair, in the face — ashen. I think he must be appalled at the insensitivity that was displayed by the Member for Elmwood. His attitude is divide and destroy, you know, the people in the New Democratic Party, my goodness, now we see the real division in the New Democratic Party. It's not only the fighting in the front benches, they can't even agree on a matter of such supreme importance to the city of Winnipeg. — (Interjection)— Well, all the benches.

I frankly felt sorry for the Member for Wellington, because this is his area and I think, when your colleague comes in and does a number on you like that that, that's a pretty bad scene. It was a totally negative attitude on the part of the Member for Elmwood, and astonishing from a former Minister of Public Works.

I would like to say, before he started that, I was going to speak about rail relocation anyway. But I do feel, for these people to try to blame Mr. Axworthy, whose sincere commitment to rail relocation has been a matter of record over a number of years, and it's not only Mr. Axworthy, it's the commitment of the Liberal Party also. All members of the Liberal Party are committed to relocation, including the candidate who ran in Winnipeg North and even acknowledging the fact that may not have been the first priority for Winnipeg North, that candidate came out frankly and honestly and honourably and stated the Liberal Party's position in the election campaign.

I think it is interesting, perhaps regrettable, that the Winnipeg city council has only come to agree that relocation was the answer to the problem because of the scare over the MacGregor spill and the methanol spill in the C.P. yards. That seems to have been what motivated the majority of city council to come out in favor of relocation as opposed to an overpass, which has always been their desire, the wish of the majority group in the past.

The delay, I suggest there has been delay because the federal legislation was passed in 1974 to help rail relocation, and it was intended, for the first time, to enable the federal government to support relocation. And the delay has been caused by the ICEC majority on council, and we have heard a lot said today about how many of the people around this table are former city councillors and of those who were here this afternoon, the present Members for Osborne, River Heights, Crescentwood and Wolseley were all a part of that delay. If it hadn't been for that ICEC group, rail relocation could have been started and implemented. If that had been the intention, and if the provincial government at the time had been agreeable, the federal legislation could have been taken advantage of some years ago. So I don't think anyone can feel too utterly Simon Pure on this, Mr. Chairman.

As we have heard, in order to get relocation, the city and the province have to agree on a proposal. They have to prepare an urban development plan showing what is to be done, and the Member for Elmwood showed his ignorance on this point, by saying what is to be done with the land freed up. —(Interjection)—

**MR. DOERN:** I did not.

**MRS. WESTBURY:** He did. I've got the mike, and I say you did. They have to prepare a transportation plan and they have to prepare a financial plan showing how the costs are to be shared by the city, the province, the Government of Canada, and the railways.

The Minister showed a great deal of knowledge of what is in The Relocation Act but when he went to Ottawa, I respectfully suggest he did not comply with the Act in his approach to Ottawa, because he did not have any of these things that are required under The Relocation Act, such as I have just discussed. The statute gives the Government of Canada power to contribute up to 50 percent of the cost of the urban development plan and the transportation plan. The only time that a cost benefit study has been done was in 1972 when Damas and Smith were retained by the city, the province, Ottawa, and the railways to do the Winnipeg Railway Study. That's the only time that the benefits, as well as costs, the cost benefits as well as the original costs of four relocation options were ever studied.

Once the plans are prepared, the application has to be presented to the Canadian Transport Commission and they will only receive it where the federal government's contribution is up to 50 percent. This is, I think, where we failed. I was disappointed when somebody from the media came to me the other days and said, Have you heard the relocation has been thrown out? I made the statement, I'm extremely disappointed, but I think that it hadn't a prayer of succeeding when in fact we weren't

complying with the Act in any way in our presentation from the province and from the city. The Canadian Transport Commission has the power to order a relocation requested by the city and the province, and the Government of Canada is prepared to pay half the net cost of relocation — half the net cost of relocation — and we have to remember the benefits that can accrue from the sale and development of those freed-up lands as well, so that would lower the cost to the province and the city.

The Government of Canada will not impose a relocation that either the city of the province does not want and the Government of Canada will not initiate a request for relocation; that has to come from the city and the province. This position is supported by the Liberal Party in Manitoba of whom, unfortunately, I am the only representative here. The initiative must come from the province and the city together, and unfortunately somebody didn't read the Act before they went running down to Ottawa because I think the whole side has been let down due to the fact that we didn't approach this in the way that is required under the Act. If Ottawa had committed itself to spending of funds for this purpose before a proposal came forward in the way that it is set up, required under the Act, we would have people around this table screaming about Ottawa using its power in a heavy-handed and unjustifiable way. —(Interjection)— You see, he has confirmed the fact that the criticism would have come from the government benches if the initiative had been taken by the Feds instead of waiting for the province to do what it's supposed to have been doing.

The city finally came to a decision to support rail relocation. If the city had presumably come to this decision five or six years ago, the whole thing could have been well under way by now and we would have saved all the money that the Member for Elmwood was talking about. The answer to this is not to put another bridge in there, and he didn't even know enough to say whether it should be the one-pronged or the two-pronged bridge on the south side of the railway lines. The proposal that was approved through the ICEC and city council was to the effect that two prongs would come over those railway lines and totally disrupt and divide and destroy that whole neighbourhood. I'm not sure if it's in or adjacent to the Member for Wellington's constituency but it's very close to it, and it just would be a disaster for that part of town.

I would like to say that everybody who represents the city centre area in — I would like to say all parties, I think it's the Liberals and the NDP mostly — they all agree that the answer is relocation in that area. This has not been a partisan matter.

The Member for Elmwood had some fantasy about Mr. Axworthy wanting to run in North Centre.

**MR. DOERN:** Wait a minute, I never said that; it wasn't me.

**MRS. WESTBURY:** Yes, you did. You said if Mr. Richardson was going to run . . .

**MR. DOERN:** It was him.

**MRS. WESTBURY:** Oh, you said that.

**MR. DOERN:** He's not the Member for Elmwood.

**MRS. WESTBURY:** You're not either. That was dumb remark; it was a fantasy, I don't know where he dreamed it up, but I assure the people around this table, first of all, Mr. Axworthy doesn't tell the Member for Crescentwood what his plans are. We were aware that Mr. Richardson was not going to run. There was never any concern about that. The mind was made up by Mr. Axworthy that he was going to run in Winnipeg Fort Garry and that funny little remark was just that; it was just an imaginative thing that he put in for a little colour, I think. That's what I wanted to say about relocation, Mr. Chairman. Really I think what we needed was to have it clearly outlined that the city and the province must take the initiative and that was not done. The act was not complied with, anything that Minister Pepin has said has been reacting to a sort of ad hoc approach from city and province which did not comply with the requirements of The Relocation Act.

**MR. MERCIER:** Mr. Chairman, I'm quite familiar with the act and I think a lot of people are, being through this discussion for the last eight years. One of the concerns that was had by a number of people at the city with respect to the plans that are required is that it was estimated that to complete the plans required by the act, the urban transportation plan, the development plan, the financial plan, would require some two years just to complete the plans to make the application if you could obtain the, for example, the consent of the municipalities to the development plan or transportation plan. And I think that was the reason, Mr. Chairman, why it was requested of the federal government that they obtain a specific financial commitment to the effect that yes, indeed, if you go through all these steps we are prepared to finance rail relocation 50 percent or whatever, 60 percent, whatever financial position they felt themselves to be in. So that was the concern and the reason why, as I understand it, the city council passed the motion which refers to a specific financial commitment, to see exactly where the federal government stood in the way of making a financial commitment.

Mr. Chairman, I want to, if for no other reason but historical reasons, to go back and review my participation in this at city council level. In November of 1976, Mr. Chairman, when I was chairman of Works and Operations, we passed a motion which said that the city proceed immediately with a study of the feasibility of relocating the CP Mainline and marshalling yards to determine the costs and benefits of such action compared to the so-called do nothing option as approved by council at its meeting on March 20, 1974, before taking any action with respect to anyone of the five alternatives. We prepared a draft prima facie case which is required, submitted it to the province for approval on January 6th, 1977. The province, in a letter dated February 14th, 1977, indicated it was satisfied with the prima facie case for relocation of the CP yards but was not prepared to support the proposed relocation of the mainline on the basis that the relocation of the yards only was the optimal investment. There was then an ad hoc committee appointed by the Executive Policy Committee of City Council which I chaired, and we

reviewed that matter, reported on the two applications, and subsequently recommended to council a revised prima facie report for relocation of the yards only, and that recommendation was defeated by a vote of 23 to 21, at the council meeting on March 16th, 1977.

I am sure the Member for Wellington and probably the Member for Fort Rouge remember that vote. I only cite this to show, Mr. Chairman, that this matter has been around for a long time. I was always of the view that this — first of all in the very — going well back, I can remember the initial report. The problem was that the report did not deal with the costs and benefits of the so-called do nothing option and that was always a concern of people and that's why they always said they couldn't support it until they knew what those costs were.

Mr. Chairman, the primary reason why, as I understand it, the motion by City Council was past in the form it was, was to attempt to determine what financial commitment the federal government would make to rail relocation in Winnipeg, and as I've said they've said the only commitment they can make is moneys allocated to the province under the UTAP program, and those are very limited funds.

**MRS. WESTBURY:** I think it would have been much harder for them to have done that.

**MR. CHAIRMAN:** The Member for Crescentwood on a point of order.

**MR. WARREN STEEN:** I would like the record to show, that it was I as the Member for Crescentwood that had said that Mr. Axworthy, the federal Minister, was perhaps contemplating running in the last federal election or the federal election of May in Winnipeg North Centre, not the Member for Elmwood as the Member for Fort Rouge had indicated. But I might also point out that Mr. Axworthy did run there 10 years ago in 1968 and has had a history of being involved in the community that makes up Winnipeg North Centre through his urban studies research project with the University of Winnipeg, and that's what I had also said this afternoon.

**MR. CHAIRMAN:** I'm not sure the Member has a point of order, but it's informative and I'll turn to the Member for Fort Rouge.

**MRS. WESTBURY:** Thank you, Mr. Chairman. Perhaps their positions were so similar that it was easy to confuse one with the other this afternoon, Mr. Chairman. I want to talk about the rail relocation but that's not the only thing I wanted to talk about it, and so I would like to go on to other matters. The Member for Wellington spoke earlier about some of his other concerns in the city of Winnipeg, and I would like now to go on to refer to some of my other concerns in the city, Mr. Chairman.

I guess one has to say it all when one gets the mike or else — I'm sorry, am I having a problem here, all right, okay, there we go. Mr. Chairman, it seems that it's hard to understand how when a province has one major city which consists of half the population, more than half the population of the city, that city pays a proportionate amount of taxes to the province and

it's also the site of the capital of the province and of its Legislature, and it seems to me and it seems to a lot of people in this city that the province should perhaps play a larger role in either the expansion or the containment of that city and I think that people in the city expect, in an instance such as that, the province to make a statement through its policies about the style and the nature and the heritage of that city.

I am concerned as everyone is about the block funding, the inadequate increases in the fund that was inadequate to begin with. The first block funding wasn't adequate. The inadequate increases, the swallowing up by the provincial government of taxes contributed by Winnipeg taxpayers and doling out which seems to be grudging to the city, the minimal funding it seems to the city which comprises 60 percent of the population of the province and the former city of Winnipeg, and I am one of those who, as the Member for Crescentwood is, who sat on both the old City Council and the unified City Council, and I have to agree with D.I. MacDonald, the former Chief Commissioner, who feels that the former city of Winnipeg did not get a fair shake in the whole unification program that was brought in on January 1st, 1972.

I made some notes when Mr. D.I. MacDonald was speaking to a meeting of the City Centre-Fort Rouge Community Committee last fall. He made these statements. He was complaining that the financial system of the city relies entirely on a property tax basis and gratuitous handouts from the province, those were his words. He said that the New Democratic Governments did not look far enough down the road to see what would happen as a result of The City of Winnipeg Act that they brought in, effective 1972. The suburbs have taken over the city, and I don't think any of us who represent inner-city wards in the City Council or had represented, will take exception to that remark. The suburbs have indeed taken over the city. Mr. MacDonald stated that a city with a different political component would have fought to save decay of the inner-city. He was very critical of the fact that the balance is towards the suburbs, and, of course, even some of those who represent former old city of Winnipeg wards really are suburb-like in their makeup. I include in that River Heights particularly, I think, which now is part of an old city and a suburban mix, and I think the suburbs have taken over there too.

The problems, as Mr. D.I. MacDonald outlined them, the three major problems were these: The native people, he said, are the No. 1 social problem of the city and getting worse. Secondly, lack of adequate housing in the central city, and thirdly, the fact that of the 80 million budget, 80 percent of that is spent in the suburbs, 20 percent in the inner-city. In his opinion, redistribution of some of this money is required and perhaps has to be in some way legislated as I understand it. His fourth problem was that The Railway Relocation Act, if it had been taken advantage of properly, could have helped the problems of the former city of Winnipeg, the deterioration.

There were further remarks by Mr. D.I. MacDonald and Mr. Elswood Bole. Mr. Elswood Bole said that unification of the city, Unicity he said, has been a tragedy. I don't think anyone who has represented

an area close to downtown can feel anything but agreement with that, and it is a very sad thing to have to agree with a remark like that. Mr. MacDonald and Mr. Bole are both former administrators of Metro Winnipeg and very highly respected people.

Mr. MacDonald on another occasion, not the occasion on which I was taking notes, was quoted as saying, The City of Winnipeg Act raised expectations which could not be met.

I wanted to bring those remarks by these highly respected administrators to the attention of this Committee. I think it is a shameful thing that in two and one-half years this government has done little or nothing to remedy matters as they have been described by Mr. MacDonald and Mr. Bole. I suggest that since there is a reluctance on the part of the government to modify the Act, then perhaps the government should strengthen the Act so that Winnipeg does indeed become a provincial capitol with the stature of a provincial capitol or a state capitol, as they are recognized in other federated nations. In its funding the city is strapped, the city is afraid to take any chances on anything imaginative or experimental, because their backs are to the wall. The province has many more sources of income. When they went from specific to global or block funding, that is okay in itself, where you have a City Council that is properly balanced in its representation of the divergent areas of the city, and is not only properly balanced, it is able, that for them to go to block funding and give a grant that in its face year was too low by several million dollars, that means that there will never be a catch-up. I suggest that perhaps it would have been preferable even under block funding to designate just how the money should proportionately have been spread around in what it covers, whether you want to be absolute specific or not. I also would like to suggest that perhaps the provincial government should be looking at ways to finance experimental programs that could be revenue productive or tax generating, and that perhaps that kind of initiative should now be coming from the province, some imagination.

I don't think it is a surprise to anyone to hear that downtown Winnipeg is in a desperate situation. You can't walk along Portage Avenue in the early evening without being panhandled or approached. People just are not prepared to walk around on the main street of our city as they could a few years ago; it is a very serious and sad situation, the north side of Portage is sleazy.

I suggest that there is a need for intervention here on the part of the provincial government. I don't agree that better government is necessarily less government. I think government has to realize when there is a need, and step in to fill a need, even if they are merely offering some kind of incentive to the municipality, to the city, or others. For instance, I could suggest that in the absence of any positive action by the city, the province could call for planning or development proposals for the north side of Portage from developers, from HUDAM, from the Chamber of Commerce, from any interested groups like that, to include family housing, elderly, handicapped, single persons' housing, urban transportation needs, and so on. We have got a lot of gifted planners and developers in the city and they

are frustrated because they are not being given anything to do, and everything that is being done in the city is so lacking in imagination. We have a city that surely has the opportunity is there to make our city a leader in medium-sized cities throughout North America, and unfortunately we're just blowing it. The older neighbourhoods are deteriorating, older apartments are continuing to deteriorate, provincial government parking lots are taking up acres of downtown land, while people move out of that immediate neighbourhood for lack of a grocery store. There was a grocery store there, it was taken out by a developer who purchased the property, evicted Safeway, and tore down the store, even though they freely admitted that they had no immediate plans for the property. They had previously had plans, but those plans had fallen through. But anyhow, they were going to tear it up. So then the councillor for the area, former councillor Keeper, who is now a New Democratic Party Member of Parliament for the area . . .

**MR. CHAIRMAN:** The Honourable Minister on a point of order.

**MR. MERCIER:** On a point of order, Mr. Chairman, I appreciate the Member for Fort Rouge's concern with respect to this matter, but I would suggest and hope that she would agree that it's a matter to be discussed with the Minister responsible for MHRC.

**MRS. WESTBURY:** I'm not only talking about MHRC.

**MR. CHAIRMAN:** The Member for St. Johns on the same point of order.

**MR. CHERNIACK:** On the point of order, Mr. Chairman, the honourable member is speaking about development within the city, city planning, and the concerns that ought to be of the provincial government. She is saying what they ought to be doing, not what they are doing. And that being the case, I think she has the right to speak on the issue of what is happening in the centre core of Winnipeg, which is what she is describing. And I think the Minister for Urban Affairs is the person to whom she has the right to direct these comments.

**MR. MERCIER:** Mr. Chairman, on the same point, I'm referring to the specific discussion of the grocery store, and that item of business that was raised last fall specifically involves the Minister responsible for MHRC.

**MR. CHERNIACK:** Mr. Chairman, the Minister says it specifically involves the Minister for MHRC. I don't see how this Minister can refuse to accept the responsibility for discussing a matter affecting the inner core of Winnipeg by referring it to another Minister. It may well be, as often happens, that two Ministers and the whole government can be involved and blamed for action or inaction, but surely, you're not going to prevent the Member for Fort Rouge from developing her thesis about the failings of this government and this Minister in relation to the centre core of Winnipeg.

**MR. CHAIRMAN:** I'm not sure if the Minister did have a point of order, so I'll recognize the Member for Fort Rouge. I may lose my job overnight, but I'll take that chance.

**MRS. WESTBURY:** —(Interjection)— I appreciate the consideration of everyone. One of the things I'm trying to say, Mr. Chairman — and I'm not going to apologize for the inadequacy, if there is inadequacy in the way I'm saying it — I haven't heard too many orators of note in the two months I have been here, and I like to think I can keep up with some of them, anyway. I'm trying to say that where there are obvious needs in the city of Winnipeg and in a provincial capital, where the province should be recognizing and designating this as the important provincial capital, such as we see the state capitals in the United States and Australia and some other places, then I'm suggesting that where the city is not acting, largely because of financial problems, that either through The City of Winnipeg Act or through providing incentives, the provincial government should be acting, and one of the ways in which they could be acting through the City of Winnipeg Act would be by requiring introduction of area plans in the older areas of the city.

The members who were in city council when I was there will remember that we had a very controversial, it was then called a district plan, and by the time it was finished it became an area action plan, because of changes in the wording of The City of Winnipeg Act. This was opposed vehemently and bitterly and angrily by some owners at the very beginning, and they were supported by the majority group on council, Mr. Chairman, but in the final stages of the development of this action area plan, the principal proponent in city council was the Chairman of the Environment Committee, Councillor Ernst, who I believe, had opposed it in the initial stages, but had come to believe that that was the answer to preservation and restoration of that particular neighbourhood, the area on the east side of Osborne Street, and south of the river, just across the river from where we are now. And this has been most welcome and most successful.

Unfortunately, and because owners come out kicking and screaming in the beginning before they realize that this is going to be ultimately a benefit to them, not too many of the councillors are trying to initiate action area plans in their particular constituencies. It's also a long drawn-out process. I think I had to be there six or seven years to see this from beginning to end of the whole program. And meanwhile, the developers are complaining that they have to wait up to three years for rezonings and for subdivisions. If area plans were developed for each area — and I suggest beginning with the oldest areas of the city — with the involvement of the local residents, as it happened in my particular ward, purchases of property, intending to develop, would know what the residents want; they would know what to expect; they would know whether the rezoning was going to be acceptable to the residents; and this would be ultimately much fairer to purchasers and to the developers.

Mayor Norrie is quoted as saying that in some American cities, development applications can be processed in as little as one week. And Councillor

Piercy, well known as a supporter of the present government, also in criticizing the cumbersome application requirements of The City of Winnipeg Act says, we're chasing development from one end of the city to another, and finally out of the city. And I'm suggesting that changes should be initiated in The City of Winnipeg Act so that desirable development can be initiated and completed within a reasonable time, and the residents of the area should continue to have a proper input to any decisions that are made, and that can best be done through the development of action area plans and, in fact, I suggest residents of older areas want this kind of protection.

Any attempt to preserve, through an action area plan, should, in my opinion, be accompanied by firstly a provision for a three to five-year freeze on increased assessment for privately renovated homes; this is happening but it's happening slowly in the Corydon part of my constituency, where rooming houses are being returned to R1 use, but very slowly because of the high cost of renovating and restoring. And I suggest that if it was possible to put a three to five-year freeze on the increased assessment, that the restoration would be completed more quickly and ultimately this would lead to increased revenue to the city. It would not, over a period of time, cost the taxpayers of the city. In fact, it would add to the revenue.

Secondly, I think a system has to be devised where tax incentives can be offered for renovation and restoration of older apartment blocks in order that affordable accommodation should remain available in older neighbourhoods for low-income people. Again, these incentives, over a period of years, would improve the value of the buildings and would provide increased tax revenue as well, at the same time, we're performing a social service by providing affordable housing for people and older housing in the downtown where so much housing has been demolished and turned into parking lots or weeds and rubble, or just empty lots.

There's a third matter that is extremely important in my constituency and I think it's going to become a city-wide problem, and that's a tendency in certain neighbourhoods for owners of apartment blocks to convert them to condominiums. A decision was made many years ago by the city that certain neighbourhoods should be apartment neighbourhoods, and it was understood then that these would be rental neighbourhoods. Now we are finding that it's hard to rent an apartment in some of these neighbourhoods, because without any reference to the planning authority at all, these buildings are being turned into condominiums. I think that perhaps the planning authority of the city should have some power to intervene in this matter, that perhaps a certain number of apartments, a certain percentage should remain as rental accommodation, or something like that. On another occasion I will have more to say about this, Mr. Chairman, through you to the Minister. I do think it's something that has to be looked at, because this is becoming a very serious problem in my constituency.

As far as The City of Winnipeg Act is concerned, I feel that the establishment of the Board of Commissioners was unfortunate. The Board of Commissioners, which is comprised of four

commissioners, the mayor and the deputy mayor, meet behind closed doors. They have no public agenda, no public minutes, and when I say public, I mean available to councillors. They are not responsive to councillors. They receive extremely high salaries, upward of 40,000, quite a bit more than our First Minister. —(Interjection)— Yes, upward of. I think they start at 44,000 or something. The result is that a wall has been erected between the elected officials and management of the city departments, because in some instances, the management people aren't even allowed to attend the committee meetings. I think this has been most unfortunate. It has led to discontent in the city staff and it has led to frustration on the part of the elected officials. I personally would like to see the Board of Commissioners become a board of management, the difference being that they would administer policy as decided by the city councillors rather than, as they do now, initiating and creating policy.

First of all, I have to say that I'm in favour of having the mayor elected at large in the city, and I hope that that won't be changed by this government. I believe there is something to be said for the deputy mayor also being on the same slate, the same ticket, in order that the deputy mayor also should be responsible and responsive to all of the taxpayers of the city, rather than it being a majority group appointment.

I wanted to talk about some other transportation matters. I have to willy-nilly say that the present Minister, when he was chairman of the Works and Operations Committee — I guess the way to success in this provincial government is to be chairman of Works and Operations Committee; every chairman since unification has become, or is on his way to becoming a Minister of this government, so reputed; just about every new program that was brought in in transportation was brought in while the Minister of Urban Affairs . . . five minutes, thank you . . . was chairman of Works and Operations. There is the Dial-a-Bus, the Dash, the Handi-Transit, the Southwest Transit Corridor, and I'm sure the Minister will remember that I gave him my wholehearted support on all of those. So compliments all around the table here.

I worry about the fact that these are being cut out. There has been a tendency to cut back on Dash and to change the whole concept of Dash. Dial-a-Bus is gone. Handi-Transit is the only one that really is moving. I notice that the Minister in his statement said that the increase in the block funding — I don't know where that is — to the city was in part because of their desire to expand the Handi-Transit service, and I think it is important that that be done. I have made my own approaches to the present Works and Operations Committee. I think it is important, for instance, that the Handi-Transit for handicapped people show some sensitivity towards their social needs. For instance, if a person uses the Handi-Transit to go to a hockey game, they can't go home on the Handi-Transit bus because it doesn't go as late as that at night. They have to order the private vehicle, the wheelchair vehicle, which costs upward of 10.00 for them to get home. Now, these people, they tell me they are perfectly willing to pay more for that kind of service late at night to perhaps



the extent of what they would pay for a taxi if they were able to take a taxi home. I think this is most important. It is a social need; their social needs are just the same as other people's social needs and are related to their emotional health, and through their emotional health, to their physical well-being as well. I hope that the Minister, when this matter comes up again, as I hope it will, through the official delegation, will perhaps refer to this and support it.

Quickly, I would like to say that when I tried to bring up the matter of policing in the city during the Attorney-General's Estimates, the Member for St. Johns had already brought the matter up while I was in another committee, and he made a speech that sounds as though I would like to have written it — the Member for St. Johns, that is. He refers to the fact that so many of the behavioral problems that we have in the downtown area of Winnipeg are imported, and unfortunately, people who are out of kilter in their home towns, home villages, other provinces, drift through major cities such as Winnipeg on the major highway across Canada, bringing their troubles with them and cause problems here. Therefore, it's not just a city matter; the policing should not just be a city matter, it should also be a matter that is receiving some assistance from the province. In view of the fact that the province is assisting other municipalities, I suggest they should give the same assistance for extra police protection and perhaps, hopefully, an extension of the Affirmative Action Program —(Interjection)— May I just finish the sentence, please? . . . an extension of the Affirmative Action Program into the area north and west of where it is now operating on Main Street, so north of Portage and through Portage and perhaps down to the river and on this side as well. Thank you, Mr. Chairman.

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

**MR. DOERN:** Mr. Chairman, I wanted to rebut some of the comments of the Member for Fort Rouge. One of the problems in regard to the McGregor-Sherbrook Overpass, is which side of the tracks do you come from? I have to tell her that I am more familiar with North Winnipeg, with Elmwood and East Kildonan and North Kildonan, and she is more familiar with central Winnipeg. The feeling in the north end of the city is very strong in favor of the McGregor-Sherbrook Overpass. The feeling on the other tracks is, I suppose, not enthusiastic, or against. So I think if you look at the statements made over the years by members of the Legislature from the New Democratic Party, you will see an overwhelming preponderance of opinion and action in favor of the McGregor-Sherbrook Overpass.

The Member for Fort Rouge doesn't have the problems that we have. We have 22 members in our caucus; she speaks with a single voice and that of course is a certain advantage, but it is also a certain disadvantage as well.

I just want to say, in regard to the Honourable Lloyd Axworthy, that he hasn't been doing very well in office. —(Interjection)— You know, here's a man — I've known him for 20 years — and he had seven years of unqualified praise by the media, from 1973 to 1979-80, it was seven years of feasting at the press table. Now, all of a sudden it looks like seven

years of famine, because he's certainly not starting out too well. He gave us the twinning of constituencies, which was a ridiculous idea; he gave us Timothy Leary; and he gave us railway relocation, which has proved to be a dismal record. When I think of the meeting that the Minister went to and the mayor went to and Mr. Axworthy went to, it's like the blind man and the elephant, because there are completely opposite opinions, Mr. Chairman, as to what happened at that meeting. Lloyd says he is going to press on regardless. He says rail relocation is not a dead issue.

Mr. Chairman, a picture is worth a thousand words, and I have a picture when Mr. Axworthy said that he is going to press on with rail relocation. He made that announcement, and Bob Bockstael was sitting right beside him, and here it is. So I will continue to fight for rail relocation. You can see the look on Mr. Bockstael's face, Mr. Chairman, as to what he thought — show that to my friend up there — as to what he thought of that particular idea.

**MRS. WESTBURY:** The Member for Elmwood showed me that picture at least a month ago, so it obviously wasn't taken last week. It's a funny picture.

**MR. DOERN:** Mr. Chairman, I think the look on Mr. Bockstael's face was the same on both occasions — bug-eyed Bockstael clearly was taken aback at the Minister's persistence.

Mr. Chairman, it is hard to get on track. I just want to read a couple of lines, for the benefit of the Member for Fort Rouge, and then I would like to ask a couple of questions. No doubt she is not inclined to take my position, but I want to read her the position that was indicated in the Free Press, which is a notable paper in our area, notable for many years as a large-L Liberal paper, and I've said this before so I'm not saying it for the first time; I have said it before in the House. I think that on the editorial pages, there is an indication that there is going to be, and there has been some small-L liberalism creeping into the editorial pages that was not evident a few years ago. I just want to read a few excerpts from Saturday's editorial called Mr. Axworthy's Dead End. No pun intended. It says in a number of places, I'll just read the key underlinings that I have here, it says, and I could read the entire editorial and the member would see that this is totally in context, it says, Mr. Axworthy can promise, but he cannot necessarily deliver. It says, his suggestion should be disregarded. It says that Mr. Axworthy introduced an irrelevancy, and it says that council must make those decisions on the basis of the city's own needs, not on the basis of what Mr. Axworthy thinks he can get federal money for.

And so I'm just saying to you that we are not surprised that you are supporting Lloyd Axworthy. That comes as no surprise. —(Interjection)— Well, what I am saying, Mr. Chairman, is that Mr. Axworthy struck out and he should simply give up. I think if he were sensible, he would —(Interjection)— well, some say he should resign. I say that if he was smart, he would have pressed the case, and having lost it, he would have dropped the issue. But he holds out false promises to the people of Winnipeg. And he just cannot deliver. He has already shown that, and he's going to persist, well, let him persist. But I'm not

going to hold my breath and wait for him to check out these other sources of federal funding.

I have a couple of questions for the Minister, Mr. Chairman. I want to ask him again about the UTAP funding. He received a commitment of 10.2 million. Because of this delay, caused by the Minister of Citizenship and Immigration —(Interjection)— Well, I know, but isn't he the guy that a year ago, when he was still in this Chamber, fought for a stalling of the construction of the McGregor-Sherbrook overpass when the Liberal Party was in power, and I remember criticizing him at that time. And he succeeded in getting a holdup of the construction permission on that project. And because of that, sure there was another government, sure he wasn't a Minister, but he was able to get to the people in Ottawa who called the shots, maybe it was Otto Lang, and as a result they held up the McGregor-Sherbrook overpass. Over a year has passed and in terms of inflation, 2.8 million directly attributable to his actions in stalling that project.

Now we have 10 million that we got committed from UTAP from 1979, the Minister says it's a five-year deal till 1984. And consequently, Mr. Chairman, when you look at that money, if it was 10 million in one year, fine, but it's going to be spread out. When you're talking a 10 million deal, that means a 20 million deal over the next few years; if inflation is ten percent, it means that every year it's costing a couple of million dollars to spread that money. And if we're going to have 7.4 million over the next four years, that federal money is just going to disappear. It's going to disappear. It's not a lot of money. So I'm just asking the Minister, is it true that we're going to get that money on the basis of 2 million a year? Is that the way it's going to be paid?

**MR. MERCIER:** Mr. Chairman, there's a cash flow for that program. Basically, Mr. Chairman, the agreement provides for a cash flow in the fiscal year 1980-81 of 2.6 million, in the next fiscal year, 1981-82, 3.6, and in the final fiscal year, 1982-83, 3.6 million. The total is 10.2 over three years. To date, not very much has been spent, but the agreement provides in the last three years, those moneys have to be spent in those years, so it is important, and this is the point I have been trying to make with the last three federal Ministers, that if there is no decision on the Sherbrook-McGregor overpass, because they held it up, one point was, can you extend the expenditure of moneys past the last fiscal year. Their position seems to be that no, they can't. If the Sherbrook-McGregor overpass is to be proceeded with, it's important that approval be given to that project immediately, because the funds are to be used for that project. They have to be spent in those fiscal years, as I've indicated, and we don't want to see any of the federal moneys lapse under this program.

**MR. DOERN:** Well, from the looks of it, Mr. Chairman, they are going to commit that money and not a penny more.

**MR. MERCIER:** That's right.

**MR. DOERN:** That's what you're telling me. They don't care whether there is inflation, they don't care

whether we postpone this another five years, that's the amount of money we're getting for the overpass, period.

**MR. MERCIER:** Mr. Chairman, the point was made to Mr. Pepin that the application to construct the Sherbrook-McGregor overpass had been on the federal Minister of Transport's desk in February of 1979. It could have been approved at that time, and the city engineers have, as the Member for Elmwood referred, indicated that the estimated increase in the cost of the project is 2.8 million, while the project has been waiting the final approval of the Minister. And we tried to make the point that they should increase the funding for the project by 2.8 million over and above the UTAP moneys, in view of the fact that they held up the authority to proceed with the Sherbrook-McGregor overpass, pending their study.

**MR. DOERN:** Mr. Chairman, I just have to say in passing, I listened to these various pronunciations. The Minister just said, Pay-pin, and I've heard Pay-pan, and P'pah. I remember the quote of the Minister himself saying he would take anything except Peep-in. That was the one pronunciation he couldn't stomach.

I wanted to ask the Minister as well, if he could define, —(Interjection)— I had some Oscar sandwiches which were ordered in caucus — I wanted to ask the Minister if he would define, or outline rather, just exactly where we are at again. If we gave the green light, if the government and the city both decide to proceed in the next couple of months, where are we in terms of land acquisition, in terms of design, in terms of the possibility of construction? Where are we in terms of when could that project commence, and when would it likely be completed in terms of people driving over it, etc., etc.

**MR. MERCIER:** Mr. Chairman, as I understand it, the detailed design work has yet to be done. That would have to be completed before construction could go ahead.

**MR. DOERN:** Has the land been acquired? What land is required, has it been acquired?

**MR. MERCIER:** I think some it has been acquired.

**MR. DOERN:** And so you say the detailed design has not been completed. That would take how many months from now, again?

**MR. MERCIER:** I would estimate six months.

**MR. DOERN:** So assuming a green light were given in the next 30 to 60 days, it's possible that the project could be started late in 1980, or would it more likely be put off until 1981? In the spring?

**MR. MERCIER:** Mr. Chairman, I don't have the engineering reports to give a definitive answer to that question.

**MR. DOERN:** Well then, I'm just saying to the Minister, Mr. Chairman, that the longer it's put off, the more inflation will erode the amount of money

and the more money that will have to put up. It looks like another year before construction will commence. The other point I would ask of the Minister is this — and I want the Member for Fort Rouge to listen to his answer more than to my questions on this particular last item. Given the situation in relation to rail relocation, and given the preferences of the people in the north end of the city, and the people on the central side of the city, the central part of the city, the Minister has to make a decision and the government has to make a decision. Somebody is going to be relatively happy and somebody may not be happy. I'm saying, what is the decision of the government now? Is the Minister totally rejecting rail relocation and favouring and supporting the construction of the McGregor-Sherbrook overpass?

**MR. MERCIER:** Mr. Chairman, if the federal government's position with respect to financial commitment does not change from what Mr. Pepin advised on Thursday, that is that they will go no further than the moneys allocated under the UTAP program, then the magnitude of cost, I would suggest, is too high for the provincial and city government alone to become involved in rail relocation. In view of that, the Sherbrook-McGregor overpass should proceed, in my view.

**MR. DOERN:** And if Mr. Axworthy, due to some arduous efforts, comes up with a few hundred thousand or another million or two from DREE or any other source of federal funding, will the Minister also proceed with the McGregor-Sherbrook overpass?

**MR. MERCIER:** Mr. Chairman, it seems to me that with the kind of moneys that are involved in the cost study that was done, 168 million in total costs, it would be my view that unless the federal government were prepared to finance 50 percent of that, there is no alternative other than to proceed with the overpass.

**MR. DOERN:** So the Minister is saying that unless he can get another 60 or 70 million committed, in addition to what is already committed, there's no use even fooling around, that it's a dead issue. Is that what he's saying?

**MR. MERCIER:** That's my view, Mr. Chairman.

**MR. DOERN:** Thank you, Mr. Chairman.

**MR. CHERNIACK:** Mr. Chairman, a number of points have been raised, the most recent one, I've never understood how a provincial Minister involved with concerns for the city of Winnipeg sits back and does practically nothing on the problem of rail relocation. I have not seen this Minister take a strong position, nor have I seen any real reaction to this study that has been made, and which I have not seen, but from what I have learned of it, there seems to be no real cost-benefit review, no consideration of the impact on the city of Winnipeg of continuing the rails running through Winnipeg, or of removing the rail tracks — and of course, they can't all be removed, I think that's pretty clear, but most of them, the marshalling yards. The relationship to the growth of the city, the development of the city, the problems of the inner core, I see nothing of that, and

I think that this government has not taken a proper role. I was going to say lead, but I think that's really a city of Winnipeg matter that should have the lead. But to have it come from Ottawa in the name of Lloyd Axworthy is, to me, inadequate. I think that the Minister of Urban Affairs, whose responsibility is to deal with the growth and development of the city, is just sitting back and reacting.

I feel about that, because one wonders just what it is that he was doing when he was a city councillor and what brought him to this Legislature in terms of developing those principles and ideas that he had for the benefit of his constituents. Of course, I must say, I wonder about what brings all of us here, if we don't have some kind of motivation.

So let me just, well, the Member for Fort Rouge isn't here, but I must say I am amused when she and when Lloyd Axworthy did discuss that store on Broadway Avenue for the party that is a proponent for free enterprise and the marketplace to complain bitterly because of the fact that a store has been removed, is to me somewhat contradictory of what I believed that they believe in.

Mr. Chairman, a number of us have come from municipal level politics and for myself, I was a city of Winnipeg alderman and then I was a metro councillor, and I became convinced that the future of the city of Winnipeg, as we know it today, could not be solved by the elected representatives at the municipal level of the, I think, 13 jurisdictions in Winnipeg, but that there had to be some rationalization. I was also convinced that the Roblin-conceived Metropolitan Council was only a step in a direction, but not a solution. What I felt and what many of us, I am sure, felt was that there had to be an involvement in the city of all the people of the city, not in the legal jurisdictional concept, but all the people who lived in Winnipeg and knew Winnipeg as their homes, and that they had to have a greater opportunity to develop their own potential. The New Democratic Party espoused the principle of taxation on the basis of services to people being paid for taxation or finances from people and services to property being paid on taxation on property. That is one of the things that the city and no municipality had the power to deal with. When we came into government, in the New Democratic Party, we came in with a general policy dealing with the need for Greater Winnipeg to become one entity, to have greater self-rule powers, to have an equality in the tax base in order to deliver or be able to deliver a greater service on a more equitable basis to all the citizens of Winnipeg. I think we gave a great deal of power to the city to grow and I think what stunted its growth was the politics that took place within the city, and still does, where you have a group called or sponsored by the Independent Citizens Election Committee, which clearly is a political party with no policy and no real motivation, except to elect themselves and to maintain themselves in that power.

What happened as a result is peculiarly enough very much like what happens with this present government; they have no real vision of where they can go, much less the desire to go there. As a result they flip around and flop around in the city of Winnipeg, as this government does here to a large extent, trying to stay in power but not really having

an announced long-range plan for development in the city. The present government pretty soon will be calling an election and will say, well look, we cleaned up that mess, now we are going to do things. But certainly they have not stated a policy. As a matter of fact, their policy to date has been, we'll keep those things that we can't possibly get rid of, even though we don't believe in them, like Autopac, and other than that we will just destroy what we can in order to start afresh with what we want to do. They are not telling that to the people.

By the same token, the ICEC has no policy, no program, no long-range view and just operates from day to day. I think that some of the members that have come here from the City Council, today's City Council, the ICEC-run group, must have come here with a sense of frustration, looking to achieve those things they wanted to do when they were on Council and were unable to do there, thinking they could do it here. To some extent that is true, but really the city of Winnipeg, in my belief, has all sorts of power, but doesn't want to use it; coupled with a government that doesn't want to prod them and is even then slow to react to them, they are just at a sort of standstill with no long-range policy and that is damaging.

I hope the Member for Fort Rouge can get my message, that those things she spoke about, like freeze on assessment, tax incentive, a number of condominium conversions, those things which bother her and which frankly I don't share in her concerns, are matters that could be brought here by way of legislation and she has a right to do it, and why she doesn't do it, maybe I should attribute it to her inexperience. Rather than make speeches about it, it would be more helpful if she brought in amendments to The City of Winnipeg Act and then we could debate them even though they would be pretty well shunted aside under Private Members' Hour and Speed-up; still she would have some opportunities.

It seems to me what we have to consider is the power that rests on the city and the fact that the city, as it is today constituted, run by the ICEC, does not have the real desire to go ahead. When the Minister for Urban Affairs was a member of the City Council, and I think a very important Chairman of one of the very important committees, he was part of the group that claimed that the city of Winnipeg could not exercise its powers because they were not adequately financed to do so. It seems to me that — I don't know if he was the one that brought the brief to the then government, but certainly he was part of the group that prepared a brief saying, we contribute so much to the provincial revenues; we, the people of Winnipeg, are a big part of Manitoba; we are entitled to a greater share of the revenues of the provinces; we are entitled to share in growth revenues; we do object to real property taxation, which they may have regressive taxation.

When we were in government, the New Democratic Party, and going back to our original plank in our platform on all levels in the 1950s and 1960s that services to people should come from people taxation, we did several things as a New Democratic Government. For one thing, we rationalized the structure of Winnipeg; we equalized the tax base; we gave a good deal of power to the city council, which could remove a number of, and did in effect, I

believe, remove the community committees from any active and lively participation in the city, but could do many other things — could deal with the Board of Commissioners if it wanted to. There was a great deal of permissiveness involved in planning within The City of Winnipeg Act, and in addition to that, the city of Winnipeg could have come to the government time and again to ask for greater freedom if it wanted it. It didn't really do that.

What the New Democratic Party, the government, then did was to start opening the door to the municipalities to participate in growth taxation. And we passed legislation that actually dedicated to the municipalities a percentage of the most regressive taxes we know in Canada, and we actually gave a certain portion of income taxation at the corporate and personal level to the municipalities. We said to them that if you have a substantial support in Manitoba for increasing or decreasing your portion of income taxes, come and say so, and we will discuss it, and we wanted to make it possible so to do.

We also said that we wanted to make it possible for them to participate in other growth taxes. I think we spelled out liquor tax — as a matter of fact, I think we turned over amusement taxes entirely to the city, and we invited the city, along with other municipalities in Manitoba, to start thinking in terms of an expanded tax base in the growth tax area.

Mr. Speaker, my direct question to the Minister is: what has he done to enable municipalities and the city of Winnipeg in particular, and the other urban centres, to have a greater share in growth taxes, so that they would have a right to rule themselves and make their own decisions and be blamed for their own decisions and be responsible for their own decisions? Instead of that, the Minister gave them a block grant — okay, if this government says to the municipalities we are not going to get involved and push you into anything, with which I disagree. I think what we did in regard to experimental methods in transit, for example, were useful, and what we did in certain directions was in order to prod the city. For example, if I can depart for just a minute, when we found that the city council was unprepared to do anything about housing by putting up their — was it 10 percent they were expected to put up — and when they wouldn't do it, we changed the legislation and we picked up that tab to see to it that these things happened in Winnipeg. Maybe we were pushing them to do something and when they wouldn't do it, we participated in having it done.

When it comes to growth taxation and to self-rule for the city, what are the — and let me be specific — what are the Conservative ex-city councillors doing to try and see to it that the city of Winnipeg has more self-determination powers? It is all very well to pass legislation, I think we did. What are they doing to enable them to have a better tax base with which to be able to develop the city the way they think they should? This government put a cap on it, they gave them a block grant, they put a freeze on more participation in growth revenues, and I believe has done absolutely nothing to let the city become more involved in the taxation they want. Rather than the city go to the province and say, please give us some more, which I think was the case when the present Minister for Urban Affairs was a councillor, come to

the city, talk to the city, on the joint committees, and say, please give us more. Instead of that, what has the government done now to let the city obtain more revenue from growth taxation? That is the direct question I have to the Minister: what has he done in regard to that? Or can it be that the ICEC controlled Council has backed away from that request and no longer wants that power?

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

**MR. MERCIER:** Mr. Chairman, first of all let me make one brief comment about the reference by the Member for St. Johns to politics in the city of Winnipeg and what he says is bad about the whole city operation. Let me remind him that he brought in an Act, with 50 members of council in its structure, that was designed for political parties, and I suppose what still irks him and galls him is that the people of Winnipeg rejected political parties, particularly the NDP municipal power.

Mr. Chairman, with respect to financing, let me say first of all, and if the Member for St. Johns wishes he could — I don't believe he was here this afternoon — if he wishes to look back at Hansard from this afternoon he will see some discussion of city financing. We have this year, with the Premier's very recent announcement, increased the Property Tax Credit Program by 100, which in effect for a person with an average home assessed at 7,000, in all but two school divisions in the city of Winnipeg, actually reduced the tax burden on those people this year. In fact pensioners, if I recollect correctly, have had their taxes decreased to below the 1977 level.

With respect to revenue sharing and the reference to personal income tax and corporate tax, a measure which I think was a good one and was brought in certainly by the last provincial government at the request of the then city council, and I think was a good step. This year, as that Act requires in distributing those funds, we have changed the allocation of moneys in order to attempt to give a greater share to larger urban centres where there is no question that they have a higher per capita cost in providing services to people, and that has resulted in — that's not the sole reason why, but in combination with the increased fund under those points of personal income tax and corporate tax we were able to pay to the city of Winnipeg an extra 2.2 million.

With respect to block funding, that figure, in addition to a special grant of 4 million earlier on this year, was increased from 30 million to 33 million, an increase of some 10 percent, which is in line with increase in revenues by the province, probably more — actually more than the increase in revenues by the province — so in essence that fund is a form of revenue sharing in that we have stipulated that it will grow in accordance with the general increase in revenues to the province. As well we have had continuing discussions with the city and have indicated, the Premier himself has indicated to the city's official delegation that we will be prepared to seriously consider projects over and above that as they come forward. I indicated earlier on, the city is in the process of completing its review of the five-year development program and development plan,

and it may very well be that some special projects will come forward out of those reviews.

In addition, Mr. Chairman, we have under other programs, for example a community services program, which are federal funds but are allocated by the province in the city of Winnipeg, we've allocated 90 percent of the total funds to the city of Winnipeg in accordance with the previous distribution of those funds but again a maximum flexibility to the city in deciding their own priorities in spending those moneys, and they made a determination of that and that was approved.

So I would suggest, Mr. Chairman, that in providing, I think it's almost 20 million in increasing the tax credit program to actually reduce the real property taxation burden this year to people with average homes, increasing block funding in accordance with, in fact more than revenue sharing, that that in fact is a form of revenue sharing, and we are at the same time attempting to give maximum flexibility to city council to proceed in accordance with their priorities and their responsibility to their electorate. With respect to specific or other forms of revenue sharing, my understanding is that the city council and its finance committee are reviewing different aspects of that and at some future time will be bringing forward some proposals.

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

**MR. CHERNIACK:** Mr. Chairman, a few comments. Firstly, in regard to politics, it is true that I for one had hoped that there would be an honest declaration of party politics in the new city of Winnipeg, and it is also true that I was disappointed. But it is also true that the ICEC is a political party. It just doesn't have any policy, program, or any indication of what it wants to see happen. It consists of a bunch of presumably nice fellows. I think they are all nice fellows, but so is everybody else a member of a group of nice fellows. I think I hear some disagreement to my statement, but I stand by it, Mr. Chairman. I stand by even ex-city councillors.

Mr. Chairman, nevertheless, he says that people rejected politics. They didn't reject politics; they did reject the NDP as a municipal party, and frankly I didn't care one bit whether it would be provincial political parties that would be on the city scene or not. But I think the Member for Inkster will say that he didn't expect what I did, that there would be party politics, what he predicted came out more true than my prediction, and that is that it would be party politics, but it would be suburban versus inner city as I recall it, and he proved to be more correct than I was.

All right, Mr. Chairman, what I said about politics and the ICEC still is correct. The fact that the Minister points out that I had disappointment in the planning is also correct, but there is no relationship between the two, except that he wanted to give me a dig and he succeeded. But I can survive that easily, because, Mr. Chairman, when I consider what the Minister had to say about the property tax credit being a help to the city of Winnipeg, I blush for him, Mr. chairman. I blush for him for several reasons. In the first place it was clearly announced that the intent of this increase in the property tax credit was to reduce the burden of taxation in education in the

main, although it covered others. And he talked about the homes that would not be taxed. But they were very cute, Mr. Chairman, and I'm not saying that they were original in that, but they were very cute. They waited until all the budgets were struck, mill rates were struck, and just as the bills were about to be sent out, they made their announcement.

And why were they cute, Mr. Chairman? They wanted to make sure that the city, the municipalities, the governments of the municipalities would not have the opportunity to revise their taxation based on this expected reduction in taxes, they wanted to make sure that the property tax credit was passed on right to the taxpayer, not to the city. And as I say, they are not original in that. But that was it. So to say that this was being done for the city, Mr. Chairman, is nonsense. It was done for the taxpayers, which is fine. They were too slow and too late and too little, as my leader said when they announced it. They stalled around for two years before they did anything to recognize the increased burden on the taxpayer, and they finally did it, no credit to them, and the fact is, Mr. Chairman, they're getting no credit for it either. Have you noticed, the populace has not risen and said, Good for the Conservatives, they are progressive and have done something real. The populace reacted as I think my leader did, and said, What took you so long?

So to say that this is a help to the municipalities is really nonsense, Mr. Chairman. As I say, I blush for the Minister, and I really do. Now when he says that they did the magnificent gesture to Winnipeg, they took their 2.2 percentage points on income tax and they redistributed it to give the urban centres more, well good for them. Where did they get the money? Out of provincial coffers, no way, they redistributed the total income, which would have been distributed amongst municipalities some other way, and they rearranged it to give less to some municipalities and more to others. That was none of their provincial revenues that they were redistributing. The Minister didn't even pretend they were. But he can, I suppose, as urban Minister say, I did this because we recognize the greater needs for the urban centres. I don't know what the Minister for Municipal Affairs is saying to the smaller municipalities who suffered as a result of this rearrangement, but certainly no-one in the provincial government has the right to take any credit. And I mention that, because when we spoke to this Minister, I guess it was on his Attorney-General estimates, I brought out the fact that his press release stated that the province gave to the municipality a certain sum of money, this amount of money from the percentage points, and he admitted at that time that it was no gift whatsoever. It was moneys they were entitled to have. All the province was involved in was the redistribution of that money.

I wonder whether or not the municipalities have come to the province and said, We'd like 2.3 points, 2.4 points, we'd like 3 points. He said No, but I am wondering why the Minister didn't go to them and say, You're crying that you're not getting enough money; you're crying that the block funding is not enough; you have the opportunity to come to us and say we want a greater revenue from growth taxation. Why doesn't he say it? What is his role? Unless all he is is a bookkeeper for the urban centres saying,

I'll transmit your requests, I'll go with you to Mr. Pepin, or anything like that. What is he doing in a formative way to help them develop their programs with positive assistance?

At the moment I'm not talking about provincial revenues, I'm talking about access to growth revenues, and I ask the question once again. Maybe I'll do it for a long time. What are the Conservative ex-city councillors doing to answer their own requests in the past for a greater share of growth taxation? Where are they? Why don't we hear from them? They used to be very vociferous when the NDP was in government. What silenced them, Mr. Chairman? Can it be that it's the Cabinet that silenced them and said, Stay away from this, you won't get it? That's the question I would ask.

One other point. —(Interjection)— Pardon? Well, Mr. Chairman, you see, the Member for Wolseley says, faith in the Minister, and I want to know how long does one have blind faith. How much longer do the citizens of an urban centre like Winnipeg have to wait because the Member for Wolseley has faith in the Minister? There comes a time, Mr. Chairman, when faith is just not enough, like some help would be more useful.

I don't quite recall the restructuring of block funding. I am under the impression that the extra 10 percent from 30 million to 33 million is not just simply a growth. It seems to me there's some money in there that is not quite a straight increase of provincial funds, but I don't recall it, and I guess I'll have to go back and look it up, Mr. Chairman. The Minister might help me if he knows what I'm groping for, but I have the impression that the extra 3 million is not just a straight increase from 30 to 33. It seems to me there is something else that's 3 million, but if he can't help me or won't help me, I'll have to look it up myself and try and find it.

Finally, Mr. Chairman, I want to ask the Minister what has happened with a request from the city of Winnipeg to participate in hotel sales tax and liquor sales tax? What has happened to the brief? The Minister says that they are studying and preparing a new brief. Where's the old brief? What has happened to it? If the Minister doesn't know, I think I can find a copy for him in my files, but I am pretty sure that there was a very extensive brief presented by the City of Winnipeg. What has this Minister done about dealing with the requests in that brief? Surely the New Democratic Government did not do all that the city wanted them to do. So where are these city councillors and this Minister in relation to that brief and what they requested so specifically? How is that city council has not requested recently and has not been granted access to growth taxation? How long does it take before this government recognizes the justified claim of the municipalities to have access to growth taxation as compared with regressive property taxation?

**MR. MERCIER:** Mr. Chairman, I don't agree with the assumptions in the question. As I have indicated, the relief provided to city of Winnipeg taxpayers by increasing the property tax credit by 100, and in fact reducing taxation to people with average homes, comes from, in his words, the most progressive form of taxation from personal income tax. The increase in revenue sharing is greater than the percentage

increase in revenues to the province. So in fact I've been suggesting that there is through those programs direct relationship to revenue sharing. The specific request which the Member for St. Johns refers to, I think, hotel tax and . . .

**MR. CHERNIACK:** I think hotel and liquor is what they asked for, I don't know . . .

**MR. MERCIER:** Hotel tax and liquor tax, I'm not sure that . . .

**MR. CHERNIACK:** Both.

**MR. MERCIER:** Liquor tax is one I can remember. I know there is a lot of debate about a hotel tax amongst city council themselves as to whether or not they wanted to implement that. There have been discussions with the official delegation with respect to those matters and again, as I indicated earlier, I understand the finance committee of the city has been considering areas of revenue-sharing and I expect to receive a recommendation from them in the near future.

**MR. CHERNIACK:** Mr. Chairman, it appears then that the ICEC, who controls city council, is not doing what I think is its duty to do, and that is to search out access to growth taxation and is to that extent delinquent, and that whenever they have cried that they have inadequate sources of revenue, to accept what the Minister says, it is their fault that they are not asking for it, that all they are doing is coming on their knees to the province, asking for more money, but deny themselves the opportunity to ask for access to growth taxation.

One point, Mr. Chairman. I wonder if I could get the Minister to admit that the Property Tax Credit Plan, which was introduced by the New Democratic Government, whose greatest impact, I believe, is redistribution of wealth — that's what I believe it is — but that it is a plan which was fought by the Conservatives when they were in opposition. And now that they have adopted it, would he at least admit that that extra 100.00, which is given universally to all people in a regressive rather than a progressive manner, is a reduction in taxation and not an increase of revenue to the municipalities. Will he admit that, that that money does not increase municipal income but actually reduces the burden of taxation on the taxpayer? Could I get him to admit that.

**MR. MERCIER:** No, Mr. Chairman, I will not admit that because by increasing that credit, it is a benefit to the municipality and/or school boards in that it opens up taxing room for them.

**MR. CHERNIACK:** Would the Minister not admit that, having announced this 100.00 increase in property tax credits, as a minimum, just before the bills were due to be sent out, that none of the municipalities or school boards increased their mill rate as a result of this reduction in taxation. Would he admit that that is correct?

**MR. MERCIER:** No, I will not, Mr. Chairman, because obviously the city of Winnipeg did not, as

the school boards in the city of Winnipeg did not. But there are other jurisdictions outside the city of Winnipeg who send out their returns at a later date, and I'm not sure that some of those other municipalities did not take the increase in the tax credit into consideration and adjust their level of expenditures.

**MR. CHERNIACK:** Mr. Chairman, just the one more question and then I'll stop belaboring this point, unless he provokes me into asking another one. Mr. Chairman, in view of the fact that this Minister's responsibility as Minister of Urban Affairs is mainly to the city of Winnipeg, would he then agree that this 100.00 increase, in minimum, property tax credit in no way put extra dollars into this year's coffers for the city of Winnipeg?

**MR. MERCIER:** No. Well, I would agree, Mr. Chairman, in that it reduced the burden of the increases in taxation by the municipalities and the school boards on their taxpayers. It opens up room for them next year.

**MR. CHERNIACK:** So, Mr. Chairman, what we can now assume, from what the Minister said, that any benefit derived that will go to the city of Winnipeg as a result of this property tax credit increase of 100.00 minimum, will not give the city an opportunity to increase its taxation for a full year. Is that the correct summary of what he just said?

**MR. MERCIER:** Mr. Chairman, obviously the announcement was made at a time subsequent to the school boards and the municipal government in the city having already decided upon their mill rate increase, so the benefit was solely for the taxpayers, and I don't rule that out as a positive step. I don't think you are going to find too many taxpayers in the city of Winnipeg who are going to object to their level of taxation being reduced by the sum of 100.00.

**MR. CHERNIACK:** Mr. Chairman, very clearly the Minister is now saying that the Property Tax Credit Plan that was introduced by the New Democratic Party was one which gives a great deal of benefit to municipal taxpayers. That's clear, and by all means give us all the credit we are due for that because it is our plan, one fought by the Conservatives, especially by the present Minister of Finance, who said he would drop it as quickly as he could. So that's fine, and what he is doing will be a progressive measure when the government will, as it must and certainly will be forced to do in the budget time, with the Budget Speech, increase the maximum. If they don't, it would be a complete farce and I don't think they are that stupid as not to increase the maximum, so they will do that. That is a very important progressive measure, which is a New Democratic measure.

The point that I think the Minister has now agreed to is that the municipality of Winnipeg and the school division of Winnipeg, and I believe the school divisions of suburban Winnipeg but I can't say for sure about all of them, that none of them will be deriving more revenue to their own municipal and school division funds with which to provide a service, but that they will have to wait a whole year if they want to recognize that reduction in property taxation,

and with inflation being what it is, it will have been eaten up anyway, Mr. Chairman. So all I believe I have proved, at least to my satisfaction, is that this property tax credit, which was a really worthwhile measure, was one that had no impact and no assistance to the municipalities or the school divisions, of Winnipeg at least.

**MR. MERCIER:** Mr. Chairman, I would dispute that statement to the extent that I think the members of school boards and members of councils are concerned enough about their taxpayers and the people they represent that they welcome an increase of this amount, which in effect reduces taxation for people with average homes. Certainly the timing of the announcement was such — and that couldn't be helped — was such that they couldn't adjust their levels of expenditure this year, but it does open tax room to them in the following year to proceed with projects that they deem to be important. When we talk about revenue sharing and burden of municipal property taxes, Mr. Chairman, if there is one direction that I would think we should move in, and I believe we will move in, it would be in the area of reforming the financing of school costs in this province. I think that is an area which has caused municipalities throughout the province a lot of difficulty in that a lot of municipalities have been able to hold the line and control expenditures, but any savings that they have brought about themselves have been taken up in large increases in school mill rates. I think you have to establish priorities and I think if there is a priority to be established, it's in the area of reforming the financing of schools.

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

**MR. GREEN:** Mr. Chairman, I do have a few words that I would like to say on a subject which was dealt with earlier this evening, and that is the access by the north Winnipeg residents to and from the rest of Greater Winnipeg because, Mr. Chairman, that is one of the cruelest hoaxes that has ever been perpetrated on any part of the population of our province, is what has been done to the city of north Winnipeg by the myth of railway relocation, Mr. Chairman, which has been used not for one year or two years, but my recollection of a proposal for rail line relocation was made by the Member for Burrows in 1966. Maybe I am doing him too much credit, although I remember that as being the first time. It is not impossible that somebody suggested it earlier. In all of the years that it has been suggested, the population north of the CPR tracks has probably trebled and more likely quadrupled, and in the last 45 years, the access to north Winnipeg has been the Main Street Subway, the Salter Bridge, Arlington Bridge, and the McPhillips Street Subway. That's what it has been for 45 years, on the basis that some day the rails will be relocated and then you won't need another bridge.

Mr. Chairman, it's like a cynical and stingy father saying to his son, who wants an ice cream cone, You can have an ice cream cone or a banana split, now which one do you want? And the child says the banana split and he says, You'll have to wait for that. And then the next day, he says, You can have an ice cream cone or a banana split, and the child says a

banana split, and he says, You'll have to wait for that. Eventually the child is going to say, Look, how long do I have to wait for this banana split? I don't mind waiting and I would still like to have a banana split in preference to an ice cream cone, but in the meantime I would like the ice cream cone and I'll get the banana split when it comes.

For years, Mr. Chairman, we have been trying to impress upon those who have put roadblocks in the path of an access route to greater Winnipeg that, yes, everybody loves rail line relocation; nobody will say a bad word about rail line relocation. If you ask me, do I prefer rail line relocation to a Sherbrook-McGregor Overpass, I would say certainly, but if rail line relocation delays a Sherbrook-McGregor Overpass then I, Mr. Chairman, don't want to be told, to use another analogy, that there are two birds in the bush if you will release the bird in the hand.

Some years ago, in 1977, the city of Winnipeg, the province of Manitoba, and the federal government were virtually set on a formula for providing this overpass. Then came the saviours, Mr. Chairman, who told us that if we will only wait, some fellow will come on a white horse, in shiny armour, and give us rail line relocation. The last example of that cruel hoax, Mr. Chairman, is what was perpetrated by the former Member for Fort Rouge and our undistinguished Cabinet Minister in Ottawa, who tried to give the impression that that was going to be brought about.

Mr. Chairman, I don't have a bad word to say about rail line relocation. What I have said, and I've said it, not only for the last three years, but the for the past seven or eight years, commit yourself to an access route, if it has to be an overpass which winds up as being a skyway, then build the skyway, and when the tracks are removed, you will have what you have in many other modern cities, you will have an overpass over an area which has had its rails removed. But in the meantime, the citizens of north Winnipeg have gotten nothing, Mr. Chairman, and have been deterred from getting something by people who have thrown up this program, as a means, really, of depriving north Winnipeg people of an access route. So I now say, Mr. Chairman, that I threw up this suggestion of a flyway, which could still be there when the rails were relocated if necessary, and then nobody would lose, but apparently, maybe it's engineering, maybe it's something that I don't know, but apparently it hasn't been picked up. Mr. Chairman, now I have another suggestion, how we could have them both. We could have our ice cream cone, and if the banana split comes along, fine. Or we could have our bird in the hand, if the two birds in the bush come along, that's fine. Why doesn't somebody have an underpass, Mr. Chairman? Why do we not start talking about a Sherbrook-McGregor underpass? And instead of having an overpass, which some people say would be unnecessary if there was rail line relocation, you have the underpass, which you won't even see, if there is rail line relocation.

Has it been considered, Mr. Chairman? Is it out of the question? And let me say this, I throw it out, Mr. Chairman, in desperation, because of the fact, Mr. Chairman, that the overpass has been denied the citizens of north Winnipeg for all of these years. And I don't make the suggestion as being one which I



know of any feasibility for, but I make it in the desperation that something will jar — and I think it's the councillors of Winnipeg who will commit themselves and not be deterred by the kind of thing that has deterred them, not for three years, but I say for many years, from providing this access route on the basis that something better is coming, if we will only wait.

I make these remarks, Mr. Chairman, because I believe that something has to be done, vis-a-vis access to the city from and to the core part of the city, to north Winnipeg, and that it is not being done on the basis of pie-in-the-sky suggestions that have never materialized, and show no immediate signs of materializing in any foreseeable future, Mr. Chairman.

Mr. Chairman, I sat here for quite some time while the Member for Fort Rouge was talking about the problems associated with the reorganization of greater Winnipeg, and she quoted Mr. MacDonald, a respected bureaucrat, she quoted Elswood Bole, a respected bureaucrat, both of whom were high in the administration under the Metropolitan Corporation of Greater Winnipeg, suggesting that there were problems with the new city and that it did not work out as it should have worked out. Mr. Chairman, I have no doubt that that is the case. I never thought that the reorganization of greater Winnipeg would eliminate municipal problems. But, Mr. Chairman, one has to recall what problems were eliminated and what problems were created, and if one goes back, if one had the memory to go back to 1962 and 1963, they would easily determine that the city of Winnipeg shows much more promise of being a more progressive city, development-wise — and I say that, not from the point of view of merely material development, I'm talking about the kinds of developments that are needed in the city, recreational development, traffic development, transportation development, building development, that all of those things show far more chance of being realized in an orderly and equitable fashion, than they did in 1963.

And that the amount of shunning off of responsibility from one person to the other has now at least been eliminated, so that it merely takes place as between the city and the province, rather than taking place as between 13 municipalities and the Metro government, and the Metro government and the 13 municipalities, and both of these groups against the provincial government, and perhaps the provincial government blaming the federal government.

At least much of political responsibility has been more identifiable by the reorganization of greater Winnipeg, and certainly the financial responsibility for contributing to the city of Winnipeg and for the maintenance of the city of Winnipeg, is far more equitable under the new system than it was under the old, but that's an old debate, and I really don't want to go back into it. I'd rather come back to the points that were raised regarding municipal financing at the present time.

And, Mr. Chairman, I don't intend to change the position that I took in 1973 when you and your colleagues on the city of Winnipeg council came and said that the city of Winnipeg comprises 60 percent of the population of Manitoba, therefore we should get 60 percent of the revenue, or whatever percent it

was, that we do not count what the provincial government spends in the city of Winnipeg, we are talking about revenue only.

And the response of the provincial government was then, as I say it should be now, rather than the fund blocking approach which the province has taken with regard to city of Winnipeg revenue, rather than saying that we will block your funds, by saying that you can have complete freedom of choice as to what you spend them on, and then put them in the kind of straightjacket which gives them no freedom at all, since we know what their budget is and we know that there are so many completely uncontrollable items such as fire and police and transportation, that when you start counting up the amount of flexibility — we are not talking about any flexibility at all — that the province do some things with respect to the city which I sincerely expect that some of the municipal councillors will oppose. Not because the people in Winnipeg will oppose them, I'm a Winnipegger, and Mr. Chairman, I said then, and I say now, and next time, the government that comes into power should make sure that the clock cannot be turned back, that the Assiniboine Park is a provincial responsibility, it's not a municipal responsibility, and if my member, the Member for Wolseley, says to me that he is doing me a favour by keeping the park in the city of Winnipeg and requiring me to pay 100 percent of the cost of it, rather than 60 percent, I say, no thank you to the Member for Wolseley, and the citizens of Winnipeg will say, no thank you to all of the councillors who say that they are protecting power over municipal parks at the expense of having the park have its proper financial support from all of the people of the province of Manitoba, just as other provincial parks do.

And that would have happened, Mr. Chairman, if we hadn't compromised at the last moment and said to the city of Winnipeg, we will let the Assiniboine Park be administered by the city, and we will pay for the cost of administering it, rather than declaring it a provincial park. And there wouldn't be a citizen in the province of Manitoba, other than an elected politician, who felt some of the power that he thinks he had slipping away from his grasp. There would not be a citizen in the city of Winnipeg who would complain because the provincial jurisdiction decided that the Assiniboine Park would be fully controlled by the province and fully funded by the province, because it is a provincial rather than a municipal responsibility.

And that's the kind of thing, Mr. Chairman, rather than fund blocking, that would help the tax base in the city of Winnipeg. And there are other things, Mr. Chairman, which I said then, and I say now. I do not believe that it is healthy for politicians to say that we will spend money that other politicians accept the responsibility of raising, which is what your position was, Mr. Chairman, and the Member for Wolseley's position, and the Member for Fort Rouge's position, and the Member for River Heights' position. I'm not saying that you should maintain that same position, I'm not even asking you to be consistent, because if I would ask you to be consistent, I would have to, at the same time, ask you to be ridiculous. And I don't want you to be ridiculous. I don't want you to say that the way of funding municipal governments is for

politicians at the provincial level to raise the taxes and give them to the municipality and the municipal politicians, without any responsibility for raising, go ahead and spend it.

He who spends taxes must also have the responsibility of raising them. And I took that position then and I take it now. And I say that what the city of Winnipeg needs, if it wants to have more funding, is not a greater share in growth taxes, I think that it gets a good share of growth taxes now, not more grants, I think that the amount of grants that it gets now are rather satisfactory. They do need some joint programs such as a transportation program, which the provincial government would participate in on the understanding that the municipality would maintain low taxes at the toll boxes of the buses, which they have increased, Mr. Chairman, to the extent of, and last year I had it calculated, because they said that they kept the mill rate down, they actually increased it. The people in the lower income groups who use the buses, by three mills, and sometimes by five mills, which they didn't have to put into the mill rate, but they do need that kind of program. They need shared programs which have joint municipal and provincial objectives, and I don't think that there is anything wrong with that at all. We do that at the federal-provincial level, and doing it at the municipal-provincial level makes just as much sense because you cannot completely compartmentalize municipal objectives and provincial objectives, and therefore, when joint objectives take place, they can be the basis of shared costing, and I think that that is far more healthy than fund blocking, which was what was to have replaced it.

And they need, Mr. Chairman, and were offered, they need the power to raise revenues, which every government needs. And I would have no objection, Mr. Chairman, I would have absolutely no objection, I tell you that I would support the right of the city to raise an additional one percent in sales tax if they wanted it. If they were prepared to raise it, and accept responsibility for it, it would be a fairly progressive form of tax in that there is no bureaucracy needed to collect it, it's all there, it could be collected in the city of Winnipeg, and that's not an unusual thing. They were offered, Mr. Chairman, and refused, and I suggest that they should be offered again, a tax on the enhanced value of rezoned land. When a developer is given a rezoning on a piece of land which trebles or quadruples the value of the land, he has done nothing to create that wealth, that wealth has been created solely by the community around him, and by the potential of the community around him and the people around him, and therefore the people around him are entitled to a share of that wealth. They were offered, at that time, the right to impose, we were prepared to enact it, a tax on increased value of land which was made available for development and which therefore increased in value, without any input whatsoever on the part of the developer.

Mr. Chairman, that tax was offered. The councillors in their, I won't say wisdom, the councillors in their judgement, decided they didn't want it. They decided that they would continue to conduct a rather inept campaign, and it was a political campaign. And at that time, it made sense, because most of the councillors were either of Liberal or Conservative

background, and to conduct a campaign against the provincial government on the basis of finances made sense to them. It no longer makes sense to them and you no longer hear it. I am not even saying that they should do it, Mr. Chairman. I am not embittered by the fact that the ICEC has changed its tune because they are no longer in collusion with the opposition in the House. That is for them to live with, that is for them to test their credibility with the people of the city.

What I am suggesting is that the province's objective with regard to the citizens of Winnipeg be spelt out, and it be certain that if the city needs new revenues, new revenues will be available through new sources of taxation; that if the city wishes to engage in programs which have provincial as well as municipal objectives, shared-cost programs will be available to them; that if the city of Winnipeg is now bearing an unfair burden, a perfect example of which is the maintenance and operations of the Assiniboine Park, that the province is prepared to lift that burden and should be prepared to do so, Mr. Chairman, despite the protestations of municipal councillors who will say that they don't want to lose the power-hungry grasp that they have on the park, despite the fact that it is a financial burden on their own taxpayers.

Mr. Chairman, I want to indicate that I, unlike some of my predecessors, am not going to say, well, you said something different when you were a municipal councillor or when you were in opposition. I accept the fact that what you said when you were a municipal councillor and when you were in opposition is stupid, and I don't expect you to carry on with stupid remarks. I expect you to grow up with the responsibility of government and to make a sensible suggestion to the city of Winnipeg with regard to its needs and its aspirations.

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

**MR. R.G. (Bob) WILSON:** Yes, part of it that I have to say will wait until tomorrow, except that I wanted to respond. The Member for Inkster has brought up an interesting point and I would want to comment on those two areas and then leave the Urban Affairs MLA suggestions until possibly tomorrow.

Regarding the bridge, it seems ever since the beginning of the 1970s I have been attempting to stop freeways throughout the city, and it seems to me that the skyway suggestion of the Member for Inkster is unacceptable to us on this side, the south side of the proposed overpass. We have also been approving an overpass, but a simple four-lane overpass to not be the expanded planner's dream of the twin-spanned variety which would, in effect, disrupt no less than a large area of what was formerly the City of Winnipeg in the core area. The north-south route would divide Wolseley almost dead in half. Right now we are experiencing a great number of changes in the very fact that the residential component of our community is slowly being eroded and becoming commercial, because traffic patterns seem to indicate, through historical accesses, that Sherbrook and Maryland are becoming very heavily travelled, mainly because some of the people with either, I will use the word, inside information or possibly perceiving what is going to happen in the future, are beginning to

develop shopping centres and different things along this particular pattern.

I would like to see very quickly the historical access to the north be maintained with a simple overpass, because what we have is we are continually fighting these traffic experts who seem to put traffic and concrete ahead of the quality of life in communities, and what we are experiencing continually, and I appreciate the member's comments about the underpass, but I might suggest that a tunnel, from when I was on City Council, was about anywhere from three and one-half to five times the cost of a simple overpass of the railway tracks.

We fought the former Public Works Minister, who had this grandiose scheme, right here at the Osborne Bridge, who wanted an underpass, who wanted twin-spanned bridge, but unfortunately for him the property acquisition of one side of Osborne Street plugging into Pembina Highway was just out of sight. These are the dreams of these traffic planners and I am concerned, as a former city councillor, that some of these traffic planners have found their way into the provincial government's employ, and I would hope that they have left these grandiose freeway ideas when they left the city employ, because I, for one, do not want to see the southern freeway come up Edmonton. I believe that has been stopped by the very fact that the City and others were able to sell land. I don't want to see some of the grandiose schemes of the Ness Freeway, going underneath the Airport. I don't want to see some of these other ones that we talked about. I don't know what they are doing, but if the city ever wanted to come up with a lot of extra revenue, they could get on with the job of the Highland-Foley connection to North Kildonan and West Kildonan, but they could scrap the Carriere-Grant overpass freeway, and begin to sell some of those huge real estate holdings that they have, and help infill part of the city, which is a very beautiful part of the city, which is a part of the city which would help increase property values throughout the entire old city of Winnipeg by the very development of it.

I am talking about where the old municipal hospitals are and off into North St. Vital, which has become a commercial wasteland because of the fact that people building shopping centres know that in the City Archives somewhere there is this Grant-Carriere plan to plough into the Member for St. Vital's district through this huge freeway, which is called the Grant-Carriere overpass. That is the kind of thing that the city fathers have to deal with, and I would like to see some commitment for the next ten years by our city fathers as to what they plan traffic-wise that is possible based on a grid system. We would like to see four or five crossings of the Assiniboine River on a grid system, rather than another planned Osborne Bridge with twin-spanned things going across the river, and that is why I think that possibly the southern freeway was stopped.

With those few remarks — I really wanted to say that Wolseley is concerned, that we will go along with the particular simple bridge across the tracks, but we just really again would end up as being like Mr. Axworthy, a stumbling block, because of the fact that we would be given no assurance that some traffic expert would come in and want to move traffic from West Kildonan to Tuxedo or into the St. Vital

Shopping Centre at a very high rate of speed through some skyway system going through our community.

I will close with the fact that I again want to have our free city park, I have supported this all along with the support of provincial grants. I think it is unique to the city of Winnipeg. I think that some way this park could be supported. I just recently came from the Gladys Porter Zoo in Brownsville. It is a private enterprise, it is solely supported by public donations, and these donations become a tax break for people who want to earmark their wealth or their hard-earned money towards the particular zoo complex or the zoology aspect or the botanical section, or they might be interested in some area of nature that they want to help preserve. And if they were allowed to — the lawyers of this province have a trust fund, I can't see why the zoo couldn't have a trust fund that the citizens of this province could donate to, they could earmark donations to, and have them as a tax writeoff, and I would suggest that that fund, that trust fund, whatever you wanted to call it, would be supported by the people who have grown up in this city, both residents who live in this city now and others who have moved away who would be looking for something other than the Salvation Army and the Red Cross, who would be looking for something to be able to donate their money to and help preserve the free Assiniboine Zoo and Park. If we are going to have this become a provincial park, I am afraid that we would lose that identity and the Member for Fort Rouge talked about a cosmopolitan image and I think one of the things that helps us sell the city of Winnipeg is the fact that we do have a very very well thought of Assiniboine Park and Zoo, that is part of the city of Winnipeg.

I wish, in closing on that aspect, I will pick it up again tomorrow on my experiences as an urban MLA and as an urban councillor.

**MR. CHAIRMAN:** 1.(b)(1)—pass — the Member for Rock Lake.

**MR. HENRY EINARSON:** I move that Committee rise.

**MR. CHAIRMAN:** Committee rise.

## SUPPLY - HEALTH

**MR. CHAIRMAN, Abe Kovnats (Radisson):** The Committee will come to order. I would direct the honourable members' attention to page 61 of the main estimates, Department of Health, Resolution No. 78, Clause 4. The Alcoholism Foundation of Manitoba—pass. The Honourable Member for Winnipeg Centre.

**MR. J. R. (Bud) BOYCE:** Mr. Chairman, when this item first came up for review on Friday last and I was listening to some of my colleagues make some comments, I was sitting pondering what I possibly could say and I was reminded of that brilliant effort of Shakespeare's when he was burying Ceasar and he had Mark Anthony gather the people together and he went on to say, I have neither the wit nor word to slay men's minds but I speak straight on and say that which you yourselves do know, and then goes

on to give a brilliant speech. But I don't think that would serve us very well but I would like to put on the record a couple of points. I had asked the Minister if he would provide us with copies of any by-laws which he has approved since October of 1977 and to provide us with the figures that he was using in a budgetary way for the private agencies to which The Alcoholism Foundation gives grants on behalf of the province of Manitoba. I gave pause to that expression, the amounts that they are using in a budgetary way because I, at the time I had some responsibility for this organization, felt that the act should apply; that the expenditure of funds is under the aegis of the board of governors and while everyone realizes that they have to build a budget by giving to the Minister figures which fit in with overall government policy, nevertheless they still have to rely on the board of governors to adjust from time to time.

I was pleased to see, Mr. Chairman, that the government has rectified a deficit position for which I was responsible. I don't like the way that they adjusted it in that they just wrote it off as being a Manitoba grant uncollectible, but nevertheless I am glad to see that situation has been clarified so that when the Minister is referring to the figures which are used for budgetary considerations, I notice that we have been provided with one relative to the AICare Resort in Ste. Rose.

Mr. Chairman, in general I really have no quarrel whatsoever with The Alcoholism Foundation and my arguments will not be directed at the foundation per se, the board of governors who are listed in their annual report, and these people are people from the community who have indicated an interest in the problems facing all of us as citizens, and also have demonstrated their abilities in other fields. So that should be enough as far as function of the system itself is concerned, because the final responsibility is vested in the government and the Foundation can only deal with the dollars that are given to them.

There have been suggestions made, Mr. Chairman, from time to time that there should be some relationship between revenues created in our society by the sale of alcoholic beverages and that which is allocated to dealing with the problems created by that insistence by our society that alcoholic beverages be made available. I would hasten to add that I too am not one to throw dollars at problems. But in retrospect, we are dealing with an organization which was established in 1956 by some interested people in the community who got together and formed this organization, of which I am still a member. A lot of people don't realize that this is an organization which was established by an Act of this Legislature in which all people who were living as the original Board of Governors, or anyone else who has served on the board or a committee thereof, is a member of the organization. I never did get around to holding an annual meeting; perhaps that is something that the Minister could give an eye to, that at some time in the future, all people, not the people who are dead, but all the people who have been involved perhaps could be gathered together. I had thought perhaps that some kind of certificate should be issued to all of the people who were involved, especially the ones initially, the Christies and a number of other people.

In looking back over the records, I just happened to notice that the annual report for 1968, signed by a gentleman by the name of Mr. Haig, reported a budget of 181,000. So going from 181,000 in 1968 to better than 4 million in 1976-77 — I think it was 3.8 in 1976-77 — but roughly, in 1977, that was quite a quantum leap, Mr. Chairman. Of course, to go through that kind of an expansion, there was quite a growth, and growth pains associated with it.

Mr. Chairman, we should remind ourselves that the very existence of this organization was dependent on the insistence of society in selling alcohol and there are those that suggest that we should be talking in the neighbourhood of 10 percent of the revenues generated to the province. That's too much money at the present time, I realize that. Perhaps 3.8 million in 1976-77 was too big a leap; I have had that argument.

The preamble of the Act establishing this particular organization says: Whereas the Manitoba Liquor Inquiry Commission established by Order-in-Council Number 665-1954 has recommended that a foundation be established with the objects and purposes herefor set forth in Section 4. So it's because of this suggestion that there is a relationship between the insistence of society for alcohol and the necessity of dealing with the problems, that we should look in the direction of allocating the necessary funds, and I say necessary in the sense that we have to be able to realistically use them or assimilate them into the health delivery system.

My colleague from Burrows earlier gave an excellent address on one of the particular problems and how it has been historically resolved, and it not only applies to the particular American scene that was referred to in that article, it's a worldwide problem. But throwing more dollars into it without thinking forward or thinking through that which we are going to do with it, I agree with the Minister it is not going to solve the problem.

Nevertheless, a person can be overcautious. I think the Minister has to be avant garde in this sense, that we have to as best possible deal with a unique scene in Manitoba, unique in the sense that half of our population lives in the city of Winnipeg, and up until not too many years ago, all of the attention was addressed to this area. That which can be used in the city of Winnipeg is not necessarily of utility outside of the city.

How can he best deploy these dollars that he mentioned that he wants to make sure that we get our money's worth in the allocation of the dollars? I would perhaps have to go back a bit, Mr. Chairman, in that prior to the mid-60s, the problem of people overindulging in alcohol didn't get that much attention from professional people because, really, there was not that much money in dealing with the problems of alcohol and drug addiction, he said, as he dragged on a cigarette. With the federal government, through the non-medical use of drugs directorate in the latter part of the 60s hanging out some indication that moneys would be available to deal with these problems, we had more experts appear out of more pieces of woodwork than you could shake a stick at. The basic approach of all of these groups, Mr. Chairman, was, just give us the bucks and we'll solve the problem. Don't ask us what

we're going to do with them, just give us the money and we'll solve the problem.

So this Minister or any other Minister that is responsible for the administration of this kind of program, has to get through this particular type of professional wrangling which takes place, because I believe that if a person worked out a matrix of dealing with people with behavioral problems in general, you would come up with basically 15 different approaches. And 15 different approaches, Mr. Chairman, that no one can say with any degree of certainty one is better than the other. Earlier today my colleague, the Member for Ste. Rose, asked, what was the success rate of one of the particular facilities in the province, and it's most difficult to give an opinion. What is success? Is it someone who is sober for 24 hours or a week, or is it a time element? Is it a person who learns to deal with his problems and other responsibilities in a society that he isn't a burden, or he or she is not a burden on the rest of us? What is the criteria of success?

So in coming up with a list of priorities to which we will allocate public money, I wish to thank the Minister for continuing as best he can to put in place in Manitoba a number of modalities throughout the province. I will take exception with a few things that he has done but he like Siricca and I — we may be in error but we're never in doubt when we make Ministerial decisions. But that's what this process is all about. If the Minister would respond to the needs in some areas that perhaps he hasn't had the opportunity to look into some of the solutions which were preferred some years ago, and while I said earlier that I had no exception to take with the present board of governors or the staff, from what I have seen in some of the pronouncements which have been loosed of late, is perhaps they should talk to some of the people who have been around because in a couple of areas I think they are trying to reinvent the wheel. Some of the things that are being suggested as novel are not novel. They have been tried and found wanting, not only in this jurisdiction, but others.

And some of the areas that perhaps I would take exception with the Minister is the end argument as a result of his suggestion that alcoholism per se is a self-inflicted ailment, disease, debilitating characteristic or whatever term that you want to use. And I would caution him on using that argument because if he uses it to its final conclusion then those of us who smoke and give ourselves lung cancer should not be provided with health services; those of us that overeat and give ourselves heart attacks should be deprived of medical services. I don't pretend to understand all the nuances of alcoholism, in fact I'm rather suspicious of someone who says that they have all the answers. I know that it's a problem; it's a deep underlying problem. Some people want to identify it as a medical problem. Some people want to identify it as a behaviour problem, but I don't think it's that simple because just as soon as they seem to be approaching it, it's like quicksilver, you try to pick up one solution and it breaks out into a 100 more pieces.

So the fact that the Minister in expressing an opinion, I hope he was misquoted in the papers, that it was as bad, if I may, as he suggested, that he was

not funding the Main Street Project because of the revolving door syndrome of the Main Street patrol — and this I believe reflects the bias of the whole government, not just the Minister of Health, in that they, for some reason or other are unwilling to take a look at cost benefit ratios in dealing with social problems.

One of the problems that we have created for ourselves is The Intoxicated Persons Detention Act when we have removed, by and large, from police involvement dealing with public inebriates; public inebriates in the sense that if that's all a person is doing is being inebriated, then I do not fault the police one whit for not spending their time picking people up who are inebriated and hauling them down some place that he's going to bump into them three times on his shift. Also in that regard, Mr. Chairman, we keep thinking of the Winnipeg problem. I don't know what the cost for a staff man year for the RCMP is now, but I recall it was about 40,000 a year and we were sliding upwards to 60 percent of that for a provincial share of RCMP contracts outside of the city of Winnipeg; that's 24,000 a year — 24,000 a year for people to deal with this problem outside of the city of Winnipeg, is just absolutely ludicrous in my mind. I don't know what John Rogers' pay scale is, but I doubt very much if anyone on John's staff is being paid at the rate of a first class constable, either in the city of Winnipeg or for the RCMP.

So it may appear that we are saving money but, Mr. Chairman, we're not. I don't want to belabour this point because I think that if we just put on the record our concern and to give the Minister some grounds upon which he can argue with his colleagues in Cabinet, that sometimes they have to look down the road past the immediate dollar. Sometimes you have to even get involved in the arguments of economic development. That's rather obtruse, Mr. Chairman, and I realize that.

When we are talking about the over use of alcohol, there are some people who for some reason or other can't handle alcohol. But there are a goodly number of other people, Mr. Chairman, who just get sloshed and from time to time are a nuisance. And we don't have to go too far for any one of us to find examples of that. So the mandate of The Alcoholism Foundation, I would suggest is not just to deal with the problem of the alcoholic, but is the problem of dealing with the problems of alcohol in our society. When people have nothing to do, I would suggest that there is a high degree of correlation between the amount of mischief that people get into and not having anything to do.

We could come up with case after case, and I don't want to focus attention on any particular community in the province of Manitoba, but I do know that as the jobs decreased in the north, the use of alcohol increased in these areas, the amount of mischief — a stronger word is probably warranted, because bodily assault is more than just mischief — if a person would take the trouble and go out to Headingly Jail and talk to the people, they would find out that they got drunk and did this, that, and the other thing, most of it foolish, and most of them, Mr. Chairman, I would suggest are not people who would be classified as a alcoholic against any criteria.

The fact that the Minister is deploying two staff people to deal with this particular problem, I wish to

commend, but I wish to criticize the government — I was going to come out with a stronger word — because a much more comprehensive program was envisaged for the western judicial district of the province of Manitoba. It not only involved this Minister, it involved the rest of the government, because the plans were well laid and the commitments made by the federal government to participate in a comprehensive program dealing with people who were in trouble with the law, to which some attributing influence was evident in the use of alcohol, but they scrapped the whole thing. That was part of their restraint program, that was part of the redesign at the Brandon Correctional Institution, it was part of the drawing back of the utilization of the old Indian residence school in that area, but that is yesterday's battle, that's two years ago, three years ago.

The Minister is, with the staff and with the Board at the Foundation, approaching it through the deploying of a couple of people in Headingly Jail. I am the one that is willing to wait and see. I think it is regrettable that the government couldn't see their way clear to follow through on the plans which were laid to solve this problem in what, I believe, was a much more comprehensive way.

Mr. Chairman, perhaps the Minister has the answers to the questions that I asked him, but in just finishing my introductory remarks I want to put on the record one of my other apprehensions. One of the difficulties in dealing with organizations outside of government or outside of the mainstream, where albeit well-intentioned individuals gather together a certain amount of expertise, there is two weaknesses; one of them is that in many many instances the whole institution, the whole organization, is one individual.

An excellent example of that was the Alcohol and Drug Education Service Program, which revolved around Bill Potoroka, and Bill, I think, did us a great service in this particular province of Manitoba, because he was one of the best read people, albeit one of the hardest people to argue with, but nevertheless when Bill left us it left a big hole in that organization.

Another concern of mine is that the employees who work for these organizations have really no guarantee from day to day that they will get funding from government, they have no guarantee of their jobs, they have no guarantee of pensions funds, and, Mr. Chairman, regretfully this included the Alcoholism Foundation until Mr. McKee, the former Winnipeg Regional Director, was successful in negotiating with the Manitoba Government and the Manitoba Government Employees Association, that those people who worked for the Foundation are now covered by a government pension plan. None of these other employees have any protection, any . . .

**MR. CHAIRMAN:** The Honourable Member has five minutes.

**MR. BOYCE:** Have I talked that long? Where was I? The fact that employees have no protection, they have no guarantee for the future, and what drew it my attention was, as I had mentioned earlier, the fact that one of the long-time employees of the Foundaton retired with a pension of a pittance. Mr.

Chairman, I am sorry, I said two but there are actually three.

Many people start off new organizations on a relatively sound principle with a dedicated staff, and in the initial first flush are successful. A good case in point, Mr. Chairman, was an organization which started in Ontario a number of years ago in dealing with mental patients who were institutionalized and for some reason or other had to be put in straitjackets periodically because they would damage themselves or others. A small group of people got some money from the government initially and set up an establishment, where they just dealt with these people on almost a one-to-one basis, and whenever they were in this state of mind they just held them, not grabbed hold of them, but just by the mere fact of a physical contact were able to help these people, not need to be restrained. A year later this staff was completely debilitized, it was completely dehumanized, in that the people who were being dealt with had sucked all the humanity out of the people who were there as staff. The difficulty is to try and replace these people. So somebody comes up with a good idea, a good program, an enthusiast bunch, they get gung ho, they do have immediate results, and people have the tendency to look at that approach as if it was the panacea. What happens, is governments are put in the position to have these programs on an ongoing basis, and governments are vulnerable in this regard, because they have to think of not only starting this program today, but next year and the year after.

As a member of Cabinet, I always remember the decisions which come up when we have the first annual grant. The first annual grant is never a problem, it is the 35th and 36th and 37th that have to be considered. In looking at this particular part of it, the relationship between private agencies and the government as far as the delivery of social services are concerned, I would ask the Minister if he would ask the Foundation to comment on the problems which I have suggested are problems: (1) How the employees of these organizations are to be dealt with? (2) The longevity of any project which is undertaken by the Foundation.

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

**MR. SHERMAN:** Mr. Chairman, I want to say that I certainly appreciate the comments and the counsel of the Honourable Member for Winnipeg Centre. I know that he has had a long and ongoing interest in this field and in the work of the Alcoholism Foundation. It was close to his heart when he was a member of the Executive Council, and certainly his perspectives on what we should be doing and where we should be going in the campaign against alcoholism are valid and valuable.

He asked me what by-laws had been passed since 1977 by the Foundation, and I can advise him, Mr. Chairman, that none has to my knowledge. No by-laws have been passed since the original by-laws of 1976, which cover the AFM Board's responsibilities. I infer that he has a particular interest in the AFM Personnel Manual, and in particular its provisions concerning the dismissal of employees. I can tell him, Mr. Chairman, that the rules in 1978 and 1979 and in existence today, are the same as those of the

previous revision of the Manual in the 1976-77 period. There has been no change in the rules and regulations governing the hiring and dismissal process.

He asked me for a rundown on the funding for external agencies. Mr. Chairman, the external agencies supported by the AFM are as follows: the Alcare Resort Centre in Ste. Rose, and, as indicated earlier today, the 1979-80 appropriation for Alcare was 192.7 thousand; the appropriation for 1980-81 is 176.7 thousand. I explained the rationale for that this afternoon, and described the new Headingly Treatment Program at that time. Fort Alexander: 1979-80 was 29.4 thousand; 1980-81 is 35.5 thousand. The Churchill Health Centre, 1979-80 appropriation was 48.7 thousand; the 1980-81 appropriation is 29.4 thousand from the AFM, but the Centre will also have available an estimated 15.9 thousand surplus from 1979-80; and the patient volume at the Churchill Health Centre is significantly lower than it was two years ago, Mr. Chairman.

The appropriation for The Pas Health Complex in 1979-80 at The Pas was 273,100; for 1980-81, it is 296,800, and it will also have available an estimated surplus from 1979-80. The surplus is estimated at about 20,000.00.

The Foundation funds to Halfway House Treatment Centres in Winnipeg for treating the younger age group with multi addictions, and they are Kia Zan and X-Kalay. Kia Zan's 1979-80 appropriation was 101,600; for 1980-81, it is 112,200.00. X-Kalay, in 1979-80, was 97,100; for 1980-81, it is 106,800.00.

Funds are provided, of course, for the Native Alcoholism Council, which is a treatment centre in Winnipeg known as Pritchard House. It operates a residential facility for the treatment of native Manitobans with alcohol problems. The appropriation for 1979-80 was 89,200; for 1980-81, it is 107,900.00.

The Main Street Project, which includes both the Lydia Street Detox Centre and the overnight sanctuary which is utilized by the Main Street patrol, had an appropriation in 1979-80, Sir, of 423,000; its appropriation from the AFM for 1980-81 is 395,500, to which will be added an estimated 40,000 surplus, for a total budget of 435,500, but 40,000 of that is a surplus carryover.

I might just say on that point, Mr. Chairman, that most of that funding is for the Lydia Street Detox. As the honourable member knows, the Main Street patrol is cost-shared by the city of Winnipeg. They don't depend on the AFM for their funding in its entirety, or anywhere near its entirety. The city of Winnipeg provides considerable funding for that project. Anyway, I have described what we are doing with respect to the Main Street project and I reiterate that nothing is cast in stone; no doors are closed. A special needs study will determine for us whether the Main Street patrol is as effective as some persons legitimately argue it is, or whether we cannot achieve better results through another application of that money in the core area.

Finally, Mr. Chairman, the Salvation Army, which operates the Harbor Light and the new Hope Lodge, those are facilities which offer detoxification and inpatient facilities for both men and women, and the Member for Burrows will be interested in that — the 1979-80 appropriation from the AFM, Sir, was

116,200; the 1980-81 appropriation for the Salvation Army is 127,800.00.

**MR. CHAIRMAN:** Clause 4—pass — the Honourable Member for Ste. Rose.

**MR. A. R. (Pete) ADAM:** I wonder if the Minister could indicate what percentage of the budget for the Alcare Centre of 176,700 is cost-shared; what percentage of that is cost-shared by the federal government? Also, how long has the present per diem been in effect? Could the Minister advise if there has been any change in the rate and how long this per diem has been in effect. I know that the estimates indicate a cost-shared in regard to the total budget and I am just wondering if the Minister can give us a breakdown on what percentage would be cost-shared.

**MR. SHERMAN:** No, Mr. Chairman, I'm sorry I can't give my honourable friend a breakdown on the amount that would be recoverable from Canada or cost-shared with respect to the operation of the Alcare Resort Centre. I suppose one could statistically take a look at the fractional ratios of the recoverable amount against the overall appropriation and then the share that is going to Alcare, what it represents in terms of the overall budget, and do a mathematical calculation, but I'm not sure that would be accurate. The budget is not broken out that way. I can tell him that the federal Department of Indian and Northern Affairs has in the past funded a certain number of beds at the Alcare Resort Centre for victims of alcoholism of Treaty Indian status category so that they derive federal funding and federal support on that level.

The per diem that we pay for the beds that we fund is 22.00 a day and to the best of my knowledge, that per diem has been the same for the last two years, Mr. Chairman.

On that point, with respect to Alcare, I would just like to add one consideration, one fact that I don't think should be overlooked. Through all the consultations that we have had with the operator of Alcare, and I don't want to compromise my predecessor, the Honourable Member for Winnipeg Centre, but I think he probably had some consultations with the operator of Alcare too and for all of those, it should be recognized that Alcare does not have to depend on the AFM for its survival. It is a facility that can go out and attract and treat its own clients, that can offer its services to as broad a clientele as it wants and, in fact, can charge whatever the traffic will bear in terms of serving private clientele. So I don't think the impression should be left that Alcare depends for its survival and its existence on referrals from the AFM. I agree that there have been a substantial number of referrals from the AFM over the past few years and I suppose there has been a tendency to rely on them, but they are not restricted to that source of revenue.

**MR. ADAM:** I wonder if the Minister could indicate the funds that come from the Department of Indian Affairs, whether that is paid to the Foundation or whether it's paid to the operator, or whether it's paid to the government, and could the Minister advise if the per diem was reduced to 22.00? The Minister

indicates that to his knowledge, the per diem of 22 a day has been in effect for two years. Was the rate higher prior to two years ago?

**MR. SHERMAN:** Mr. Chairman, the funding that comes direct from the federal government from the Department of Indian and Northern Affairs, or that did come for status clientele, was paid direct to the operator of Alcare. It didn't come to the AFM, didn't pass through any provincial accounting system, that was a direct payment to the operator of Alcare. Whether the operator is still receiving referrals from the status category that are funded by the Department of Indian and Northern Affairs at this moment in time, I can't confirm. In fact, I think that the Department of Indian and Northern Affairs has recently stopped funding him for that kind of service, but certainly the first year-and-a-half, first two years of my Ministry, that practice was in effect, and it ran to, I think, three to four beds on a continuing revolving basis.

On his other question about the per diem, there certainly is a per diem paid by the AFM to Alcare. There certainly has been discussion about a 25 per diem, and I've had discussions on that level with the operator myself in my own office, but I honestly don't believe, Sir, that we have ever paid more than 22 per diem. In fact, two years ago, I believe, my officials have indicated that I am correct in this, that the per diem was 20 a day. But there certainly have been discussions about 25, and perhaps that term got distributed, circulated, in reports on the situation and so that may be an impression that is now fairly firm in many people's minds, but I don't believe we've ever been above 22.00.

**MR. CHAIRMAN:** Clause 4. — the Honourable Member for Ste. Rose.

**MR. ADAM:** Yes, the point I'm trying to make, Mr. Chairman, is that over the past two years, given a cost increase of 9, 10 percent on the 20 per diem, you're looking at 4 a day in increased cost to the operator; in fact, higher than that if you take the 22 figure. And I'm just wondering whether the Minister does not agree that the operator is in a more difficult position now than he was two years ago?

**MR. SHERMAN:** Yes, Mr. Chairman. On the basis of his specific operation in Ste. Rose, I would say the operator is in a more difficult position than he was two years ago, but he has got beds available there that he can, as I've already suggested, that he can offer to any clientele with an alcohol problem whom he chooses to pursue.

Over and above that, there is this continuing question mark that I referred to about the calibre and quality of the treatment service offered at Alcare. I think the operator has made a sincere and earnest effort to do a good job, but I'm not an expert in alcoholism or alcohol treatment, and both the board and the executive director that were appointed by the previous government and the board and the executive director that were appointed by this government, there is no reason why there should be any difference between them, but they do represent appointments under different administrations and both of them have serious

doubts about the quality of care and treatment at Alcare. It's an excellent facility, and I think we must resolve the problem and integrate it into the spectrum, but it might involve quite a change in the administration of this centre.

**MR. CHAIRMAN:** Clause 4.—pass — the Honourable Member for Winnipeg Centre.

**MR. BOYCE:** Mr. Chairman, I want to thank the Minister for his answers to my questions, but he anticipates some questions which will not be forthcoming. The reason I had asked him about the by-laws was that I just wanted to make sure that nothing had changed relative to Clause 6 of The Alcoholism Foundation Act. And, Mr. Chairman, I'm going to make some comments and I would suggest that this is neither the time nor the place for the Minister to respond. That's a suggestion.

In making these comments, I would like to briefly preface them by, I have probably created a problem for the Minister in that in this quantum week which took place that I referred to earlier, it was necessary to attract a number of people of good repute and academically and professionally and experientially, and as in any organization, if you mix a number of people together for the first time, it takes a while for an organization to shake down. The basic question of how best to deal with a new venture, or an expanded venture, by making it an appenditure to existing organizations such as the hospital commission, or making it a department of government, or to have it somewhat freestanding, was the dilemma. And the decision, which I will have to accept the responsibility for, was to have it freestanding, but to have it freestanding in the sense that it would still have the strings attached to it which are implicit in Section 6 of The Alcoholism Foundation Act, and I would like to read it into the record, Mr. Chairman.

Section 6(3) says, The board may appoint an executive director of the foundation, and such other clerical and office help as may be necessary. An executive director, clerical help, office help. And that stands by itself as one clause, Mr. Chairman, and Section 6(5) says, subject to the approval of the Minister, the foundation may engage the services of such technical, professional and other expert personnel as the board may deem expedient for carrying out the aims and objectives of the foundation. And I think the two sub-clauses stood by themselves, that the foundation has the prerogative of hiring office and clerical help and appointing an executive director, but even this self-contained power to appoint an executive director had a codicil in that it was only on approval of the Minister that the executive director could be paid.

So the cumulative effect of Section 6 in my opinion, Mr. Chairman, was that only the Minister had the authority to hire, ergo, fire, on the approval of the board, anyone who was not a clerical, office help or an executive director.

I asked the question whether there had been some changes in the by-law which would require the approval of the Minister, because it is the first sub-clause of Section 6 which could have, had the Minister so chosen to have the by-laws approved by Order-in-Council, taken some of the nuances which I



have read into Section 6 and made them, in one of the favourite terms in this day and age, non-operant. That is but an opinion, and if there is a problem, and I don't think this is the time or the place for a debate on it, because I think other considerations are being given to the problem, but I just want it on the record as the person formerly in this position who exercised this prerogative, my interpretation of that particular section of the act.

But as we move along, Mr. Chairman, I want to once again take an opportunity of thanking all those people who support the Alcoholism Foundation throughout the community, because the Alcoholism Foundation as such, could not accomplish very much if it wasn't for the support of Alcoholics Anonymous groups throughout the provinces, and for the church groups throughout the provinces, and for the other groups for people who relate to neither of these two organizations.

I would also put on the record, Mr. Chairman, that the location of the excellent facility, the excellent facility of Alcare, is not propitious. It was a chain of circumstances that gave rise to this particular problem and the Minister referred to the fact that I had negotiations with the person, primarily, who was involved, and it was a chain of circumstances that brought on stream a program which, if it were run under the aegis of the foundation, could perhaps resolve some of the problems that were raised by the Member for Wolseley and a number of others. But nevertheless, for some reason or other, the people involved have never been able to attract a clientele, other than those people who have been referred to the facility. There was a concerted effort to have the Alcoholism Foundation board give approval to the program offered there, and the fact that they do, from time to time, send people there who they think that the staff can deal with, I think is as much approval as could be given, or perhaps should be given. Because it is a program which is, because of its very nature, limited, because they have an excellent — or at least the last time I heard, they had a very good staff that was able to deal with the problems, but nevertheless, weren't of the renowned, if I could use that word, it's not a very good one, but nevertheless who can attract the people who are attracted to the Hazelwoods and other institutions. And for that to be a free standing, viable, private operation, I just don't see it, Mr. Chairman.

I know that the town of Ste. Rose was very actively involved in establishing that facility, but I can't help but put on the record, Mr. Chairman, in all fairness, that it was first established as a nursing institution, that it was going to be a home for people who were going to be in some kind of nursing care, and then the necessary permits would have necessitated a further capital expenditure of putting elevators and additional fire escapes and other things, ladders, — and of course, if they're in correctional institutions, I guess you can get away with ladders, but even the Minister of Community Services wouldn't expect elderly people to scoot down a ladder.

But seriously, Mr. Chairman, it was after it had been put in place as a nursing home that the individual — and he's a fine gentleman, and I hate to see anybody lose a dollar, Mr. Chairman — but nevertheless, he tried to shift it from what he thought would be a nursing home of some kind, to an alcohol treatment

unit. And if he had been successful in attracting people at the kind of per diem that that capital investment would have amortized, that would have been one thing. But nevertheless, to this point in time, that has not occurred. It didn't occur prior to 1977, and it didn't occur since 1977. I would suggest the Minister check his records, or my old records, because I checked at supper time to see if I had a copy of any of the correspondence at home, but when the government changed hands, I put on my hat and coat and went out the door. I guess I left all that there, too. But it seemed to me that there had been some, I can't recall exactly, but some finalization, or almost finalized, 25 a day. Maybe that was changed somewhere along the line in 1977-78 for the fiscal year.

But nevertheless it's, in some areas, Mr. Chairman, I don't think it does the people in Manitoba any good to stand up here and make the case, albeit, I'd love the opportunity, and I had some points here all sketched out, when he says he's going to shorten the period of stay and therefore increase the capacity, and on the other hand he criticizes the revolving door, if you put a revolving door in there, you could really increase your capacity. But I don't think it does any good to stand up in every area and say, you know, your mistakes are worse than my mistakes. I think that this is a problem we face in society, and we have to address ourselves to the resolution of it.

I know the Minister, in his position, when he is arguing with his colleagues, 50 million to build highways, as I said down in another committee, has got much more pizzazz than spending 4 million in dealing with alcoholics. So if we address ourselves to these problems in more of a co-operative effort, I think we're going to get to the point where we will have, as best we can, addressed ourselves to the problem.

But, Mr. Chairman, for people who think there's a panacea, there's an easy answer, they must have their heads in the sand. They really don't know what they're talking about. Because every generation, we deal with a new batch, and it's regrettable to say that the upcoming generations are more involved than the old generations, the ones that are passed. In fact, there is an ad on television on one of the American networks that deals with alcohol, and it says, My great grandfather drank on special occasions; my grandfather drank at weddings and wakes; my father drank on such and such an occasion, and I drink too often. It is an increasing problem in our society, but until such time that we as a society face the fact that this whole area of people having difficulty coping with their existence, this is the one manifestation of it, and until such time as society generally accepts that, we're not going to solve the problem, this Minister or any other Minister. 4 million isn't going to solve it; 8 million isn't going to solve it; 80 million won't solve it. It is a fundamental problem.

Mr. Chairman, I know it wasn't this Minister who was involved with it — in fact, I'm going to blow smoke at him — in my judgement, he's been one of the best. He didn't run through there and look for all of the NDP card-carrying members; he didn't. He shifted precious few. He redeployed a number of staff, which is his prerogative.

Mr. Chairman, there was one program, and I think that you have taken the opportunity of looking at it, which addressed itself to dealing with this problem in ensuing generations, and I'm going to shake everybody — no, not everybody, I know it doesn't shake the Minister — Building the Pieces Together. Oh, my God, that's how we are going to solve this problem. We have to put instruments such as Building the Pieces Together, or some other instrumentality, but that's the approach that is going to have to be used with ensuing generations if we are going to solve this problem. And the Minister and the government, regardless of who it is, has to have the intestinal fortitude to withstand the buffeting which is bound to take place, and not to use it as a political utility, trying to say, Look at what these people are trying to do; that somebody would go home from an exercise in a classroom and ask their parent a question, and the parent gets on the phone and buzzes the Minister's office. Yes, these things are sometimes politically hard to take.

It was an evolving thing, and hopefully it isn't buried too deeply in the archives, and it can be resurrected when the government changes hands, as it will.

Another program, as an aside, Mr. Chairman, that this government burnt the books — no, I'm sorry, that's wrong — it wasn't in this Minister's department. But the first thing the Minister of Education did was take that Co-operative Program and put it under lock and key out on Portage Avenue there so that nobody could give it to them. And the funny part of it is, when I went to Saskatchewan, I think it was 28,000, that Saskatchewan picked up a bargain, but one of the school districts that is using it, guess where, Mr. Chairman — Alberta, in Alberta. They bought it from Saskatchewan. I haven't got the specifics; I'll get that for the Minister of Education. But I digress.

In dealing with this problem, all we are really doing is dealing with the tip of the iceberg. If we as supposed political leaders in the community accept our responsibility and develop, call it anything — I don't care if you don't call it Building the Pieces Together, put some other label on it, devise some other program, but come up with something. Maybe it will be different; maybe it will work. When I said earlier that there is probably a matrix of 15 different approaches to any human behavioral problem, pick another one.

The Minister in his remarks said something about introducing something into the junior high schools, something. I wish him well; I hope it's successful. I don't think, from what I have heard so far, that I'm in a position to criticize him one way or the other because I don't know the details. I would appreciate, if there are any papers floating around, either at the Foundation or in the Minister's office, as to the terms of reference of such programs, and who is going to be involved and what they hope to accomplish and what procedures they are going to use, I would appreciate having a copy of that, and let's see if it works.

I notice, Mr. Chairman, one more specific. I understand that the lease on Dublin was supposed to be up in 1980, and in the report of the Alcoholism Foundation for 1979, in the Auditor's Report, there is not an amount shown for long-term leases. It's just two figures and the Minister doesn't have to . . . It

shows in the Auditor's Report that there's a commitment for 1979-80 for a lease of 49,134, but there is no figure for 1980-81. As I recall it, the lease was supposed to be up — I think it was a three-year lease — and perhaps the Minister can indicate to us what the intention of the Alcoholism Foundation is as far as Dublin Avenue is concerned.

**MR. SHERMAN:** Mr. Chairman, the reason for that apparent anomaly or oversight in the item in the annual report dealing with long-terms leases can be explained by the current condition with respect to the lease on the AFM headquarters at 1580 Dublin Avenue. That lease has expired and it's up for renegotiation. We are in the process of renegotiating it, but a new lease hasn't been signed yet so that figure will change once those discussions are concluded.

I would just like to take one minute to reassure the Honourable Member for Winnipeg Centre that we are at work on the problem in the community and in the schools and among young people, and that Building the Pieces Together is not dead and buried. It has undergone and is undergoing a considerable review, but it is not dead and buried. A committee known as the Educational Advisory Committee has been established by the board, Mr. Chairman, to review and evaluate Building the Pieces Together and develop, either integrated into it or in concert with it or as a new umbrella into which the best of Building of Pieces Together can be fitted, a program for alcohol and drug education in the schools, particularly in the high schools. The same committee is at work on developing a junior high school program.

Although no new training was initiated in the past year, Mr. Speaker, 50 teachers completed their Building the Pieces Together training in 1979-80, either by AFM staff or school division staff. Approximately 200 teachers are currently using the program.

In the Girl Guide community, a Drug and Alcohol Awareness Manual was developed and 100 Girl Guide leaders were trained in its use; in the teacher community, 285 teachers were trained in a general understanding of drug and alcohol problems; in the area of curricula, six curricula were developed for use in senior high schools, including one on driver education, which forms part of the Motor Vehicle Branch Program being used by 175 to 200 teachers. There is a federally-promoted program called Hole in the Fence, which is aimed at Kindergarten to Grade IV children, and 150 teachers are currently using that program in Manitoba kindergartens and elementary grades. We have matched 80 senior high students with 80 elementary students in a Big Brother type of relationship called Student Match, which is aimed at discouraging drug and alcohol lifestyles.

There is much more to be done, Mr. Chairman, but I just wanted to let the Honourable Member for Winnipeg Centre know that some initiatives are under way.

**MR. BOYCE:** I want to thank the Minister. At 1580 Dublin Avenue, that was another one of the prices of proceeding expeditiously. It is pretty hard to get people to work in old apple crates and everything else, but perhaps if you find more modest

accommodation and Mr. Puchlik can be deployed in his spare time — I mean, he is probably underworked. It was a little bit more palaceous than I think the Minister's office was when he first started at 1580, but that is the way it is today, to have good employees working, to do their best you have to give them proper facilities in which to do their job. I don't question that at all.

On another item, you are talking about the relationship of alcohol and drugs, and I forget what items and I don't want to repeat an argument, Mr. Chairman, but nevertheless in passing I noticed that there was nobody from the Foundation that was on this side. In 1976 the act was changed, The Alcoholism Foundation — and here I am not screaming for mad panic to move more rapidly than we can — but nevertheless this whole area of the relationship of alcoholic drugs, in fact, in the non-medical use of drugs, that whole area. I would suggest that the Minister encourage the inclusion of people from the foundation when these kinds of problems are being considered. I think the question arose out of the relationship between alcohol and valium or something, at least in recalling the debate that what is was focused on.

The whole question — and I am not looking for an axe to grind against the medical profession and their prescribing practices — but nevertheless if a person takes a look at the figures and the production of barbiturates and volume, ay-yi-yi, Mr. Chairman, it would just boggle your mind. It seems that on a per capita basis we are either sedated or sloshed as a society. I notice that there was a gentleman's agreement among the breweries that they weren't going to advertise locally. They pulled back by their own volition on that lifestyle type of thing, but I notice that Molson's have decided to start advertising. Of course, this is something which I have opposed. I think I made a brilliant speech when I used to give brilliant speeches. I did, Mr. Chairman. I didn't care whether they built beer troughs on Portage Avenue, but you shouldn't encourage people to drink the darn stuff. So I just wonder where this first crack in the armor is going to end up again, because if Molson's is doing it, they put the other breweries in the position where they have to advertise also, I would suggest, and it takes us back to Square One.

I don't know if there are any more questions on this side, Mr. Chairman, but I believe that completes all the questions that I had. Yes, that completes all the questions that I had, Mr. Chairman, and I want to ensure the Minister of my continued support in attempting to deal with this most important problem in our community.

**MR. CHAIRMAN:** Clause 4.—pass; Resolution No. 78—pass.

Resolved that there be granted to Her Majesty a sum not exceeding 4,800,000 for Health, the Alcoholism Foundation of Manitoba, 4,800,000—pass.

Resolution No. 79, Clause 5. Manitoba Health Services Commission, Item (a) Administration. I have listed them all (a), (b) down to (g). First item will be (a) Administration—pass — the Honourable Member for St. Boniface.

**MR. LAURENT L. DESJARDINS:** That's fine, we used to call it by lines (1), (2), (3), but it doesn't matter as long as we can identify them.

There has been some discussion between the Minister and the members from this side of the House that we would, to facilitate and to expedite matters, that we would take the first or (a) Administration and then go down to Pharmacare, Ambulance and so on, and keep the big three, Personal Care Home, Hospital Program and Medical Program to the end. I wonder if we can get that accepted by Committee, we would be guided by such . . .

**MR. CHAIRMAN:** By agreement the first Item would be Administration and then we would move to Pharmacare, Ambulance Service and Northern Patient Transportation, and then revert back to (b), (c) and (d), which will be Personal Care Home, Hospital Program and Medical Program. Is that agreed?

The Honourable Minister.

**MR. SHERMAN:** That is agreed, Mr. Chairman.

**MR. CHAIRMAN:** Fine. The first Item under discussion will (a) Administration — the Honourable Member for St. Boniface.

**MR. DESJARDINS:** Under Administration, I wonder if the Minister can give us the schedule of the Administration's expenses and the amounts so that we can see a comparison between the . . .

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

**MR. SHERMAN:** Yes, Mr. Chairman. The Administration schedule breaks down in the following way. I will give you the 1979-80 appropriation first and then 1980-81: Bank charges — 66,000, 79,000, 66,000 in 1979-80, and then for 1980-81, 79,000; building renovations, 5,000 in 1979-80, nothing in 1980-81; employer contributions — is that not on your list?

**MR. DESJARDINS:** I'm looking on the list from the annual report 1978-79, the next one is Canada Pension Plan . . .

**MR. SHERMAN:** This refers to Civil Service pension plans, whether it would — would that include the Canada Pension? It probably includes the Canada Pension Plan. It's just categorized as employer contributions. What figure have you got for Canada Pension Plan for last year?

**MR. DESJARDINS:** 1978-79 67,217.00.

**MR. SHERMAN:** Well it would be included in the overall. The total figure for employer contributions for 1979-80 is 240,000, and then for 1980-81 it's 264,000.00. Furniture and equipment 30,000 in 1979-80, 50,000 1980-81; heat, light, power and water 99,000 in 1979-80, 91,000 in 1980-81; Maintenance of Premises and Equipment 121,000 in 1979-80, 128,000 in 1980-81; the Medical Review Committee 27,000 in 1979-80, 29,000 in 1980-81; Miscellaneous 20,000 and again 20,000; Postage and Express, 225,000 in 1979-80, 277,000 in 1980-81; Professional

Consultants, 192,000 in 1979-80, 302,000 in 1980-81; Publicity, nothing in 1979-80, 50,000 in 1980-81; Grants in lieu of taxes, 122,000 in 1979-80, 125,000 in 1980-81; Rental of Office Equipment, 528,000 in 1979-80, 464,000 in 1980-81; Standards Approval Program, 16,000 in 1979-80, 17,000 in 1980-81; Stationery and Office Supplies, 416,000 in 1979-80, 410,000 in 1980-81; Telephone and Telegraph, 81,000 in 1979-80, 110,000 in 1980-81; Travel 70,000 in 1979-80, 70,000 in 1980-81; Staff Education Seminars, 7,000 in 1979-80, 7,000 in 1980-81; Total Expenses Other Than Salaries 1979-80, 2,265,000, 1980-81, 2,493,000; Salaries 1979-70, 6,564,000, 1980-81 6,500,000; Total gross program costs 1979-80, 8,829,000, 1980-81 8,993,000.00.

**MR. DESJARDINS:** Maybe the staff could just shake their head or indicate, under this new one, I guess, the one that I haven't got is Commissioner's Remuneration. Has that anything to do with the Employment Canada Pension Fund, Federal Excise Tax, —(Interjection)— Yes, that's the — and of course you haven't mentioned the Unemployment Insurance. I thought maybe that would go with salaries, but is that included, Unemployment Insurance?

**MR. SHERMAN:** Yes, Mr. Chairman, it's shown under Salaries.

**MR. CHAIRMAN:** (a)—pass; The Honourable Member for Transcona.

**MR. WILSON PARASIUK:** Yes, I would like a bit more clarification from the Minister regarding publicity. I see that there was nothing budgeted for that in 1979-80, 50,000 has been budgeted for publicity in this fiscal year and I would like an explanation from the Minister as to what the publicity program will consist of.

**MR. SHERMAN:** Well, Mr. Chairman, we actually haven't done anything in that area yet but we provided 50,000 in the estimates on the grounds that there are a number of programs available to Manitobans of which a great many Manitobans are unaware in the Health Care field, and we made the provision to give us some manoeuvrability in that area, some programs in the home care field and in extended care fields are not as well known or as well understood by the public as they should be, so consideration has been given to some kind of small pamphlet or mailing piece that could be directed to persons through doctors' offices or health facilities to emphasize the programs that are available. However, as I say, nothing has been done on that yet. It was simply a provision that we felt was desirable. But quite frankly most of the money, I think, Mr. Chairman, will go on keeping the insured person count current, which is important obviously, and we expect that's where most of the 50,000 will go.

**MR. CHAIRMAN:** (a)—pass; (e) — the Honourable Member for Transcona.

**MR. PARASIUK:** I see that the salaries component has decreased a bit and if you take into account

inflation it really should have increased. Does that mean that there has been a cutback on staff in the Manitoba Health Services Commission. Is that compliment roughly the same as last year? Can we get gross figures on that?

**MR. SHERMAN:** Yes, Mr. Chairman, the decrease in the salaries appropriation is due to a reduction in the approved SMY compliment for 1980-81. It's down by five. The voted SMYs in 1979-80 for the Commission were 678; for 1980-81 we're asking for approval for 673, for a decrease of five; and the 1979-80 was 678; total staff man years for 1978-79 were 710; in 1979-80 there are 678; 1980-81 there'll be 673. The reductions for 1980-81 over 1979-80 come in the following areas: the Administration division decreases by two SMYs, from 31 to 29; the Facilities Division decreases by three, from 42 to 39; the Insurance Division decreases by six, from 198 to 192; and the Services Division increases by six, from 284 to 290, for a net reduction of five.

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

**MR. DESJARDINS:** There are some areas that haven't been mentioned. First of all there's commissioner's remuneration. I am sure that there is still remuneration. I wonder if it's the same or if it has been increased, what is it for the chairman and the members? And then I see of course there's this new big lump there for employees' contributions, but there's Canada Pension Plan, Federal Excise Tax, Group Life Plan, and there's also the Civil Service Superannuation Fund. I wonder if they are all included in it. If they are that was 336 all together, so it's a big reduction. Are there some that are under salary now or what? These are the main things that we are not . . .

**MR. SHERMAN:** On the question of the commissioners, Mr. Chairman, there has been no change. Am I correct in that? There has been no change in the level of remuneration under this government, from that which was in effect before. There are nine commissioners, nine members of the board, eight plus the chairman. The chairman is paid 6,000 a year and the Commissioners are paid 500 a month for a total of 40,000 for the Commissioners and 6,000 for the chairman, for 46,000.00. No, wait, I'm sorry, it's not 500 a month, excuse me, I read my figures wrong. It's 5,000 about 420 a month, it works out to the 5,000 a year. And there's eight commissioners at 5,000 a year for 40,000 and a chairman at 6,000 for a total of 46,000. So the monthly salary for the commissioners is about 415, 420.00. I might say that the board itself passed a resolution a few months ago recommending that they not be given an increase in the 1980-81 budget. The government did not respond with any great argument, Mr. Chairman.

**MR. DESJARDINS:** Mr. Chairman, I personally do not have too much to say on this, I'm very pleased. I wonder if the Minister, the next time that he speaks, if he can give us an idea of the total cost and percentage of the total operation to run the commission. It has always been, or the last few years

it has been one of the best, if not the best in Canada, and I would hope that it would continue.

As I say, I'm satisfied. This is not the place to talk about policies and so on. They are not responsible for that, it is more of a paying out agency. I think it is well run; I know many of the senior staff there and I think they are very dedicated people. I'm sure that they are the same, no matter who they are working for, and that they're taking their job very seriously.

I would like to take a minute, and I'm sure the Minister will join me, not too long ago, just a question of a month or so, we lost a member. I don't know if he was still a member, but he's given many, many years, and I'm talking about Dr. Condo, who's passed away. I know that he's given very good service for a number of years, I think he was there practically from Day One in the Commission, I think that he came in with Dr. Thorlakson or shortly after, and he was always very dedicated. He would do anything that he was asked to do, no matter for whom. I think he was the Acting Chairman at one time, and he was the Deputy Chairman for a number of years. So I don't think that we should pass this without recognizing the service that a good Manitoban has given to his province.

I guess that's about all I have. The numbers seem pretty well in order. I kind of smile when the Minister was trying to explain the question of publicity. It went from 11 to nothing, to nothing and 50, and it seems to be a pretty good year for that, with the election coming up and so on, so I can't really blame the government for that, you might as well tell them some of the good things you are doing.

**MR. CHAIRMAN:** (a)—pass — the Honourable Minister.

**MR. SHERMAN:** We really didn't have that in mind, Mr. Chairman, but —(Interjection)— the Honourable Member for St. Boniface has now implanted a seed in my mind that I'll have to give some thought to.

I appreciate very much what the Honourable Member for St. Boniface said about the late Dr. Willard Condo, and certainly I am sure that the Member for Transcona and the Member for St. Boniface and I would be joined by all members of this House in paying tribute to the memory of Dr. Condo and the great service that he gave to the people of Manitoba through the Manitoba Health Services Commission, through the Universities Grants Commission, and in various other fields of public service.

On the percentage of the administration budget as against the total commission budget, Mr. Chairman, yes, I think that we can all take pride in the fact that the commission administration is maintaining its excellent record. The administration costs, as a percentage of gross costs of the commission, have been exemplary in Canada over the years, ranging from a high of 4.11 percent in 1969-70, a high of 4.11 percent, to a low of 1.79 percent in 1978-79, and this year, 1980-81, the projection is for a percentage of 1.63 percent. So I think the Executive Director, Mr. Reg. Edwards and his staff are to be highly commended for that very fine record.

**MR. DESJARDINS:** I have another thought that struck me at this time. The Minister says that some information will be given, this publicity, some of the

programs that the people are not aware, I'd like to make a suggestion. Every year, there are certain members that question me, and question in the House, and question others, about what is the score, what does the commission pay when people have to go outside the province, and I know that it's exactly the same situation that's been there, I think from Day One, when my friend here was the Minister, when I was the Minister, and now at this present time. And I think it would be well worth it if occasionally, if you're going to try to explain the program, if that was mentioned to the people, and I think also tell them, make them aware of the importance of checking before — not only when they come back, but it would be much easier, if, before leaving, they would get in touch with the commission and find out what the score is, what they need, what application, and what receipts and bills and so on they must keep. This is just a thought, a suggestion. I think that if you are going to have a pamphlet that will explain the different programs, I think that maybe that could be an area that you should think of.

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

**MR. PARASIUK:** I'm going to raise an item that was raised in response to the Minister's statement. I'll raise it again at this particular time, because I do think it's the appropriate place to get into the discussion of whether in fact we've reached a stage in sort of the history of hospitalization and Medicare where we don't have to go through the, in part, posturing of having an independent commission. I know the Minister has raised the possibility of eliminating the commission and really folding in the operations of the Manitoba Health Services Commission into the department as a straight departmental function.

In many respects, I think the way it operates right now is as a department, and I don't think there is anything wrong with that as such. I think the Minister probably has very close liaison directly with the Executive Director of the Manitoba Health Services Commission. I'm quite certain that the Minister does not, on a daily basis, go through the Chairman of the Manitoba Health Services Commission, which is your traditional system of relationship between the Minister, the chairman of a board, and the staff. I'm quite certain that's changed. I think the requirements on the Minister to carry out his functions as Minister of Health are such that he will have to be in day-to-day contact with the staff in a direct manner, and that today, for example, when I was asking him questions about the Golden Door Geriatric Centre, I'm quite certain that he was in direct communication, or staff in his office would have been in direct communication with staff of the Manitoba Health Services Commission.

I think we are reaching that stage where probably the public as well feels that it's better to deal directly with the Minister, ultimately I think they are probably seeing the appeal to the Minister as being a path of first resort, rather than a path of last resort, and I'm wondering what role the board of the Manitoba Health Services Commission has to play, vis-a-vis the general public. That's one. Perhaps the Minister would explain that a bit.

Secondly, I would like to know the role that the board, as a board, plays vis-a-vis the boards of other hospitals, boards of the personal care homes, or whether in fact that is not a relationship that exists between the staff of the Manitoba Health Services Commission and the staff of these particular institutions. And therefore, in order to determine accountability, it's important to determine whether it's the Minister that is establishing policy, whether it's the government through the Minister that is establishing the direction, the range of parameters, whether in fact certain services are insured or not, or whether in fact it's the boards that, say with somewhat more independent Crown corporations, establishes policy guidelines and policy parameters and then reports, at a bit of arm's length, to the Minister.

I think there is a different relationship, I think that maybe, originally when hospitalization was brought in and Medicare was brought in, there might have been fears on the part of the medical community, the doctors and such, that somehow we needed some type of independent commission. I know that the Hall Commission in 1964 talked about independent commissions, but I think those fears, in that sense, on the part of various established groups in the health delivery field as it existed prior to, say 1956, have been, by and large unfounded in that ultimately, they, themselves, want to interact directly with the Minister and interact directly with the government. So I'm wondering if the Minister can take us a bit deeper into the whole question of the future of the Manitoba Health Services Commission as a commission than he did in his introductory statements of some of the questions that we raised at that early time, because we didn't get into it in that much depth. I think we were waiting until we got to this particular item, and frankly, I see that as the major question that could be discussed, that should be discussed, under this particular item in the estimates review.

**MR. SHERMAN:** Mr. Chairman, it is a major question and certainly has occupied the attention of jurisdictions across this country, some of whom have disbanded their commissions in commission form and folded them into the respective departments of Health in those jurisdictions. Manitoba, in fact, is one of the few remaining provinces in Canada, if not the only remaining province in Canada, and I have to check that point, but my Executive Director tells me, yes, I'm correct, and that's the only remaining province in Canada with a separate, free standing commission.

The role that the board of the MHSC plays with respect to the public is low profile indeed, Mr. Chairman, except insofar as the chairman of the board speaks for the board on various public issues in the determination of which, and consideration of which, the commission board has been asked to play a specific decision-making role. But really, the board's main contact and communication is with the boards of other health facilities, hospitals and personal care homes, and with those sectors and segments of the public and professional community that are affected and involved when the government, the Minister's office, assigns the board the responsibility of looking into some specific proposal

or project of evaluating or assessing some specific concept or idea.

But essentially, there is not that much interface between the board and the public. The interface from a health direction and health administration point of view with the public comes from the government through the Minister. It comes from the Minister and the Minister's office. We do turn to the board to examine specific questions and concepts that we are investigating and pursuing with an idea to programming and policy for the future. The board then, of course, turns to the administrative component of the commission as such to work with it and to develop the statistical information necessary for the board, through its chairman, to come to some conclusions and recommendations that can be passed to the Minister for consideration. And in that respect, the board can play and does play a very important health planning role.

If the commission were to be folded into the Department of Health, I believe that there would continue to be a role for the board of the commission. It would obviously take on a different name. It might be called the Manitoba Health Advisory Council, because it no longer, obviously, would be a board of a commission. But I believe that there is a very necessary planning role in terms of long-term planning that any Minister of Health, any government, must have at his ready access, and the commission, in its day-to-day administration of the insured programs and administration of facility operations, is not in a position to provide that long-range planning role. The Commission is very functional and very valuable in operational planning with respect to specific projects, but the long-range planning really must come from another body and it's not fair to saddle the Commission as such with it. So we look to the board for that kind of input and any new departmental arrangement would find me very insistent that a counterpart of the board continued to be in place to act as an advisory body to the Minister.

The Honourable Member for Transcona is quite correct when he suggests that in this day and age, the public and the professions in the health field expect to be able to deal on a face-to-face, one-on-one basis with the Minister and that is certainly the prevailing order of business in the Health Minister's office. That is certainly the practice that is in effect. But there are occasions when proposals for projects, requests for projects require, and in a good many cases they require, the kind of professional assessment and judgement before any direct involvement by the Minister is logical, require the professional assessment and judgement of the administrators and the specialists at the Commission, through the board, and so the project requests and proposals go to the Commission and work their way through the administrative structure to the board for the formulation of recommendations to the Minister. Those recommendations aren't necessarily always followed but certainly they carry a considerable weight. In that respect, the board is extremely valuable in giving the Minister some alternatives, some proposals and priorities from which to choose. I might say that that same process takes place, though, between the Minister's office and the Executive Director's office, and in many many

instances, alternative proposals and recommendations for the Minister's consideration come forward direct from the Executive Director's office without being worked through that board structure. I don't want to leave the impression that it's all done by the board.

If the Commission were folded into the department, it would continue to function and operate with the same kind of structure, the same kind of leadership, the same kind of expertise that it has as a free-standing Commission, but the board would change in format into an advisory body responsible to the Minister.

I think, really, the primary argument for folding the Commission into the department is that health is health, whether it's the direct day-to-day delivery of insured health services and monitoring of the operations of health facilities and payout on the insured program side that the Commission is charged with, or whether it is the planning and thinking and conceptualizing that must take place in the field of public health, environmental health, mental health, lifestyles, that must come from the Department of Health and from the Minister. One of the difficulties — I don't say it is insurmountable — but one of the difficulties with the present structure is that there is a division between those two components and in some cases the thinking is not co-ordinated; the thinking between the Commission and the department as such is not as co-ordinated as one might desire, and an integration of the two would, I think, resolve that problem. But there is a down side to integration in that the Commission does act as a buffer for the Minister and the Minister's office with respect to many contentious issues, and some of those provinces who have folded their Commissions into their departments have suggested to me that they wish they could turn the clock back and revert to the former system.

I can't advise the Honourable Member for Transcona what the outcome of our deliberations will be, but we certainly intend to resolve it one way or the other for everybody's piece of mind and satisfaction this year.

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

**MR. DESJARDINS:** Mr. Chairman, I would have to agree with the Minister that it has some advantages and some disadvantages. There is no doubt that the Commission was started and was kind of a free-standing corporation, but in those days it was a little different. It was somewhat like the Telephone System because we had premiums and the Commission would decide on the money that they needed, the budget, and then they would recommend — mind you, it had to be approved, I think the same as the Hydro rates and so on, by the government — but they set this thing up and they were more independent.

One of the concerns that the Minister said, that it is not always co-ordinated, the work of the department and the Commission. I can't see any problems there at all. If you can co-ordinate between two departments, I think it is a little more leary, and I think there are always problems, like when the former Department of Health and Social Development was divided, I think that there are more

problems there. We can see the problems already and the Minister said that he expected that they would have some problems and would have another look at it.

I would suggest that the Minister should be very cautious. When something works well, why change it just for the sake of having a change? There is no doubt that you can't hide — the Minister nor a government cannot hide behind the Commission, because the policies are set up by the government, especially, as I say, when they have to approve the budget and all the money comes directly from the Consolidated Fund, from the government, so it's not a question that the Commission will just suggest that the rates be increased, the premiums be increased — there are no more premiums and I suspect, well, I more than suspect, I think the Minister made it quite clear years ago that there is no intention of going back to the premiums at this time in Manitoba; that might come, then there might be more of a reason for the Commission.

I don't think it is very hard to co-ordinate. I think it is a different thing, it's independent. No matter how much they take away from this department, the Minister will never have the time or the expertise himself to go and discuss with the hospitals — on the lines, the policies — but on the budget, this is something that you need experts to do. They could do it from the department, but they do it from the Commission and there is still, unless you really don't want that, the government of the day doesn't want that, but there is still some independence. For instance, when I was the Minister and they set up a five-year plan, I can honestly say that there wasn't one thing that was changed for any partisan reason or for anything at all. The recommendations were made by people who had studied the needs of the personal care homes and acute hospital beds, in all the province, and this is what was accepted. We had to look at the funds and we had to go back to the Commission and tell them, well, for the five-year plan, this was all the money that we were going to put in, then they could start preparing something after the five-year plan was finished, that we would look at something less, but that was enough.

They pretty well chose that responsibility and we went along with that because we felt that they had the expertise to know the different hospitals that were needed in different regions, different parts of the province.

I can't see — if the Minister is talking about lack of co-ordination, I would imagine that if they folded the Commission within the department, I would imagine that they would have to probably stay in the same place. They would retain the same staff and the Executive Director — I'm not going to put words, I'm not charged with the responsibility of making that change — but I would imagine that the Executive Director would be at least an Associate Deputy Minister and he would have to pretty well run his part of it. You would have to have the same kind of co-ordination with the Deputy Minister and the Associate Deputy Minister as you have now with the Executive Director and the Deputy Minister. There is no way that a Deputy Minister can do it all. There is a possibility the Minister might say, well, I would only have one Deputy Minister and I would have an Assistant Deputy Minister, but I think it's too big. I

think the Minister would need at least as Associate Deputy Minister to run that. The co-ordination, if the people take the trouble and they are always willing to come and meet with the Minister and they had at one time — I don't know if that's still in existence — but they had kind of a policy committee at the Commission and the Minister had a policy committee and on the policy committee, the Minister sat, the Deputy Minister, and the Chairman. At that time, the Executive Director was also the Chairman of the Commission. They met and they tried to co-ordinate things.

If I was the Minister, if I could make a suggestion, I would suggest that he should go easy. I think it is working very well. We might be the only province, but when something goes well, why take a chance on changing it. You have more flexibility and if later on — I would say take your time. I'm certainly not going to be one that will get up again next year and say, well, if you made that change, then try to pressure the Minister. He can take his time and look at it for — well, he won't have that long, he'll have a little more than a year — but during that time, that he doesn't make it just for the sake of making a change. I suggest that it's going quite well, that the staff is very interested and they are co-operating. It's up to the Minister; if he wants co-ordination, he can co-ordinate very easily. He can just instruct the Executive Director and his Deputy Minister to meet. I can't see any problems at all.

There are still some advantages. The government cannot really hide behind the Commission but at least he can delegate certain things to the Commission once the policies are determined by the government, and that's the role of the government, then they can go ahead and do some of the negotiating, even with the medical profession. I made a real faux pas when I was the Minister. I tried one year to get shortcuts and I tried to negotiate and the president then of the MMA did the same thing — we were going to solve it just between the two of us and be the heroes for our respective group and we were going to come in and say, we don't need you, everything is solved, and it didn't work like that. If you start negotiating directly with the Minister, what's left? If you can't get along with the Minister, you have to go directly to the First Minister and the First Minister, what is he going to do? He's got to back his Minister because the Minister is taking all of these things to Cabinet anyway. But as far as the public is concerned, they are going to go, so the First Minister is going to embarrass his colleague, or he's going to back him, so there's not really an appeal. So if you start with the Commission where the real hard slugging is done, well, then the Minister can later on meet and adjust or do what he wants.

I think it has really more advantages than disadvantages and I, again, would caution the Minister to take his time and certainly bring a change just for the sake of changing or to try to make it in line with the provinces. That has nothing to do with the provinces; we do things the way we think is the best here and I'm very satisfied that it is working quite well.

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

**MR. PARASIUK:** I have listened intently to the comments by the Minister on this subject and I have listened intently to the comments of the former Minister on this subject. Obviously it is six of one and half a dozen of the other in one sense, although I think that reflecting upon what the Minister said, he indicated that the Commission hasn't had that much a profile with the public, and I would agree with him on that statement. Yet, at the same time, I think somewhere, either through the Commission or through the Minister's staff, but I would personally at this particular stage be disposed to think of an advisory committee that may indeed reach out more into the public, and the public, basically you are talking about professional organizations and other organizations, to involve them a bit more in the overall problem-definition process, problem-solving process of health care planning.

One of the things that did impress me in the whole Hall Commission Hearings, and it has continued to impress me as I have tried to keep up with it and it proceeded across the country, was the extent to which there were different groups in society very interested in the whole question of health care. I think it is important to probably establish that process of some public participation in the planning process of health care, definition of health care needs, in a more global way than has taken place to date. I know there are certain task forces established and the previous government had task forces that developed white papers, and I know the Minister has his own particular study groups. I don't know the extent to which these are related to one another, and I think in some senses they have to be. You have medical manpower and you have questions of northern accessibility to care or accessibility of northerners to health care, and I think they overlap.

I wondering whether these all are co-ordinated under the aegis of the Commission, or whether in some sense they are done by the Minister, and whether there isn't some way of having a body that doesn't have any final authority, makes recommendations to the Minister, that is an advisory committee on health care? I think that there may be some potential here for more open dialogue with the public generally and with particular groups if he does follow the advisory council route. So there is an argument in a sense that differs from my colleague, the Member for St. Boniface, and is another dilemma to throw into the hopper that the Minister is going to have to consider over the course of the next year. And I do consider it to be a difficult question to resolve, because I think there are advantages and disadvantages, in that in some senses what you want is a system of control, and in that sense having a buffer is useful.

At the same time, you want to be innovative and creative in relating to the public generally in terms of defining what the problems are and trying to come up with solutions, and in that sense you want to be open. That is where an advisory council might be a bit better. It depends on the particular thrust you want to take. It is just that right now, for example, I look at those groups that made presentations to the Hall Commission and undoubtedly they probably made those presentations to the government system somewhere along the line. I don't know if they have been making them directly to the Minister or whether they have been making them to the Commission,



hoping that the Commission will then pass them on to the Minister. I just think that somewhere along the line there is forum that could be established that would be more open.

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

**MR. CHERNIACK:** Thank you, Mr. Chairman. I wonder if the Minister will allow me a little leeway in raising the point I want to raise. I am not quite sure just where it would fit in, and since I will have a chance sometime, maybe he will listen to it now, Mr. Chairman.

I had a call from a constituent just a couple of days ago telling me that he was a registered blind person, employed, and that a specific device had come to his attention, a fairly newly developed device, a telesensory device which was called, as he termed it, Paperless Braille, which he said would be of tremendous assistance to him in doing his job, because he would then be able to, being blind, as he said, a registered blind person, would be able to do a much better job in the role he performs and told me, and this I was not aware of, that there is no assistance available to an employed blind person to have access to devices such as he describes which would assist them in their work. Apparently there is some availability for unemployed people, but not employed people. He told me that he was given to understand that in Quebec they had been developing some such program relating to blind persons under 35, I guess the theory being that those over 35 would be a lesser investment in doing this. What also surprised, Mr. Chairman, is that he told me that an employed blind person could not deduct from his income for income tax purposes the costs involved in buying or providing himself with these special devices.

My question to the Minister is whether or not there has been developed, through the Health Services Commission or through his own department, some way to assist such people to obtain these aids which are so important and useful in making it possible for them to be more fulfilled in their work, either loan, grant, partial grant, assistance in longer terms payments, assistance in the interest rate involved, or something to make it possible for a blind person to compete on the marketplace better with a sighted person with the assistance of such devices?

This particular device he mentioned to me costs 6,500, and that is pretty far cry from his ability to provide himself with that, because it is beyond his means, obviously. Now that the Minister has heard my question, I hope having permitted me to ask to the extent I did, that he would be able to respond and tell me whether it is being done anywhere within the system in Manitoba, this kind of assistance for this kind of a problem?

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

**MR. SHERMAN:** Mr. Chairman, there have been great technological advances in assistance and devices providing assistance to the blind. There have been some very impressive breakthroughs and I think what the Honourable Member for St. Johns is referring to is a relatively new perfection of a device

which doubtless opens wide new horizons to blind persons. At this point in time, there is no such provision offered in Manitoba under our insured services, and to my knowledge it is not an insured service that is offered in any province in Canada. That doesn't say that it should not be taken into consideration, along with other desirable programs and services for implementation in our program spectrum in the future, and I will certainly take the suggestion of the Honourable Member for St. Johns as notice and take it under such consideration, but I would have to answer him at this juncture in the negative, that kind of service does not exist. As far as I know it doesn't exist anywhere in the country.

The other point that he raised about an unemployed blind person having that sort of thing available to them must come about as a result of some assistance offered under the Social Allowances Program, and that I would have to investigate. There may well be some Social Allowances assistance of that nature on the Income Security side of the Department of Community Services, but I can't confirm that that kind of support even exists in that category.

The insured services area of the Health Commission's operations and the Medical Supplies and Home Care Equipment Branch of the Department of Health are both areas in which we try to add as reasonably as we can additional service benefits for persons who are handicapped in one way or another, either through some disability from birth or through some illness that they have contracted, or some surgery that has left them in a condition that requires continuing medical supplies. Certainly the subject raised by the honourable member can be considered in that light for introduction and inclusion at some point in the future.

**MR. CHERNIACK:** Mr. Chairman, I just want to thank the Honourable Minister for undertaking to look into this for the future. I am looking forward to having a report from him in due course as to what progress can be made. I appreciate your indulgence and his for letting me raise it at this point.

**MR. CHAIRMAN:** The Honourable Member for Seven Oaks.

**MR. SAUL MILLER:** I have here the last annual report of the Health Services Commission, that would be for the year ending March 31st, 1979. I guess that would be the last one because the March 31st, 1980, has just passed, so I guess the report won't be around for a while. Looking at it, I am curious about how some of the funds are handled. With the phasing out of the agreement with the federal government, there are still moneys owing from previous years and adjustments are constantly being made. I notice in 1979 there were funds from Canada, are those adjustment moneys paid to the government or are they paid to the Health Services Commission? That is one question. If they are paid to the government, then it just follows, I suppose, that the government turns over to the Commission whatever is required; but if they are paid to the Commission directly, how does the department or the government and the Commission determine how

they are going to handle these payments? Is it put into a reserve fund? Is it put into a trust fund? Is it kept on the books as surplus? I would like some clarification of that.

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

**MR. SHERMAN:** Mr. Chairman, the payments in question come through the trust fund to the Commission, they don't come to the government, they go to the Commission and they all relate to outstanding balances that had not been paid or conveyed in full at the time of the changeover in funding on April 1st, 1977.

**MR. MILLER:** Therefore, they are paid by Canada to the Commission, and the Commission takes that amount of money — in this last year I think it is 5.8 million, and I believe there is well over 5 million came in in the 1979-80 year, something in that neighborhood, at least that is what one of the notes indicates. So how does the government, in determining the budget for the Commission, if the money is put into trust, is it possible that the Commission is simply keeping moneys which they received last year, which they received the year before, to put aside for a rainy day, or is it being applied to next year's budget, so that there can be an under-expenditure by government, and therefore affecting the entire budget of the province or the expenditures of the province by an under-expenditure in that area because they have accumulated funds from the federal government? Can that happen? Is that the way it is being handled?

**MR. SHERMAN:** Mr. Chairman, I guess there could be an under-expenditure, but the amount that is to come in this category that the Honourable Member for Seven Oaks is referring to is calculated, is estimated by the Commission and in preparation of the Commission's budget for the current fiscal year, that is subtracted from the gross program costs, so that the obligation or commitment on the part of the government and of Treasury to the Health Services Commission budget is the amount of the cost of the gross programming that is projected for the year by the Commission, less the projected anticipated recoveries of this type.

**MR. MILLER:** So in preparing, let's say, next year's budget or the estimates that we are dealing with now, the government takes into account the totality of what the Commission estimates it needs, figures that out, and then it says, however, you will be receiving 5 million from the federal government on old accounts and therefore the print figure we have here is reduced by that 5 million which the Health Services Commission already has received. That, I gather, is what they are doing. That will be received. In other words, this is the March 31st, 1979, I am assuming March 31st, 1980, an additional 4.7 million will have been received in the current year just finished, and to that extent, and since it wasn't known, and since it wasn't known at the time, your print figures from last year, of course, you didn't know the amount and therefore they may have taken a stab at it, but the extent that it increased beyond

what you anticipated, it would simply be set aside as trust moneys or as working capital. Is that the explanation for just about the 1 million increase in working capital at the Commission? Is that the reason for the increase in working capital?

**MR. SHERMAN:** I believe so, but I'll have to check that point, Mr. Chairman. I believe the answer to that question is yes.

**MR. CHAIRMAN:** (a)—pass; Item (e) Pharmacare Program—pass. The Honourable Minister.

**MR. SHERMAN:** Mr. Chairman, can I just say to the Honourable Member for Seven Oaks that I will check that point and convey the information to him privately outside the committee. I move committee rise, Mr. Chairman.

**MR. CHAIRMAN:** Okay. We are on Item (e), Pharmacare Program, which will be the opening item the next time that we come into committee. Committee rise.