



LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 6 May, 1985.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - ATTORNEY GENERAL

MR. CHAIRMAN, C. Santos: Committee, please come to order. We are still considering Item No. 6.(d)(1) Land Titles Offices: Salaries; 6.(d)(2) Other Expenditures - the Member for Turtle Mountain.

MR. B. RANSOM: Thank you, Mr. Chairman.

At 5:30 we were talking about some alleged savings resulting from the closure of the Boissevain Land Titles Office. The Minister had mentioned one item having to do with a microfilm machine, for lack of a better term, for \$8,500.00.

Am I correct in assuming that is a one-time purchase, not an ongoing expenditure?

MR. CHAIRMAN: The Honourable Minister.

HON. R. PENNER: Yes, you are correct.

MR. B. RANSOM: The other item, the Minister had come back with more specific information concerning the general office expenditures. He said, I believe, that there would be a saving of \$20,435.00. In light of the fact that information provided to me by the Minister showed that for the first 10 months of fiscal'84-85, the total operational costs were only \$16,552, extrapolated over a 12-month period, would seem to be no greater than \$20,435.00. I wonder if the Minister could give me some detail as to how they could save an amount of money that would be approximately equal to the entire operational expenditures for that office.

HON. R. PENNER: I think before the 5:30 break, I gave the Member for Turtle Mountain a figure of \$24,900 as the operational savings. If you take out the \$8,500, approximately, the one-time purchase to which reference is now being made - \$8,373 to be exact - then the net ops. savings in'85-86 are \$15,415.00.

MR. B. RANSOM: So perhaps I didn't hear correctly earlier then that the saving - let me just run through this then - the first information that the Minister gave me was that there would be an operational saving of approximately \$35,000, then the Minister came back with more specific information broken down into office expenditures and the microfilm unit. I thought he had said that combined they came to about \$29,000 or \$30,000, but I gather from what he says now, that combined, they came to \$24,000 and some. So we have a one-time expenditure of a little less than \$8,500 to bring us down then to an ongoing saving of \$15,415 in the first fiscal year.

HON. R. PENNER: In operations, that's correct.

MR. B. RANSOM: That figure still seems a bit high, but I am prepared to accept that for the moment. But the information given in Public Accounts for 1983-84 shows that the total expenditures that year was only \$26,990.35. So we're still talking about a saving of over half the cost, which seems a little difficult to understand, but maybe the Minister has some of that information broken down into the same detail that Public Accounts provide for previous years? Would that be possible, or is that just a lump sum figure that the staff have provided?

HON. R. PENNER: First of all, we're talking in fiscal'85-86 of an 11-month period because the closing date was the 26th of April. For that period, the operational savings have been estimated by staff as follows: reduction of postage 7,400 - that's ongoing; reduction in photocopying machine rentals 5,024 - that's ongoing; the microfilm equipment, one time 8,373; reduced supply cost, 2,500 - ongoing; reduction in legal publication purchases 1,600 - ongoing; total 24,897, less the one time, nets the 15,415.00.

MR. B. RANSOM: Just one question there then, why is there such a large saving on the postage?

HON. R. PENNER: Essentially, as I understand it and as I indicated earlier in this discussion, Boissevain was very heavily male oriented; whereas in Brandon, where there is quite a large conglomeration, congregation of lawyers who do across-the-counter type of work in the Brandon Land Titles Office, that's part of the reason for the estimated postage saving.

MR. B. RANSOM: In 1983-84, the total amount of money for postage, telephones and telegraph was \$6,723.18. Now the Minister is telling me that in 11 months in'85-86, they're going to save more than that entire amount on postage alone because lawyers in Brandon are not going to have their documents mailed to them, is that correct?

HON. R. PENNER: I did say that was part of the reason, yes.

MR. B. RANSOM: Well, I find that a little hard to accept, Mr. Chairman. If that's the information the Minister has, that's the information he has; but when I look at the details in the Public Accounts for fiscal'83-84, then that certainly doesn't seem to add up; it's simply not in proportion. If the Minister says that's the information, I will have to accept his word.

HON. R. PENNER: There's factored-in, as I understand, the postal rate increase.

MR. B. RANSOM: How much is that going to be?

HON. R. PENNER: Well, that's not an insignificant amount, that's about 8 percent, is it not?

MR. B. RANSOM: Mr. Chairman, what option did the department look at in terms of reducing staff costs in that office? Did they look at operating without a registrar?

HON. R. PENNER: I think that once a basic option was elaborated by the officials, and of course I take, as I must and do take, the ultimate responsibility, when you begin reducing in an operation of that size, say well instead of eliminating, let's just shrink it a bit, you begin to get below the kind of a critical mass which is necessary to sustain an operation, and you say, well, look, it's simply more viable. We're going to take a step to save a considerable amount of money, that's both a responsibility and an onerous duty, let's take that step. Why just nibble at it, when the question of justifying the continuation of that office, in that place, at this time, is not there? It's not as if this is the first closing of a Land Titles Office in the history of Manitoba. As the member knows, there were previous closings, Virden is one, another one in that area, were taken over time. Yes, Carman and Virden are the two.

Now historically the way the Land Titles system developed, the member talks about this one being open for 80 years or more, they opened at a time when the whole land system was developing very rapidly, when communications were very very much different than they presently are, when there are other factors warranting, you know, a half dozen offices in close proximity one to the other, those justifications go over time and sooner or later some government has to grasp the nettle, as it were, and make that uncomfortable decision, but those decisions have to be made. We can't forever run a system that developed with the horse and buggy in the high-tech age.

MR. B. RANSOM: How many years did the office operate without a registrar?

HON. R. PENNER: I haven't got the figures. As I understand it from Mr. Colquhoun, part of the Second World War there was a period of time when it operated without a D.R., and there were relief D.R.s coming in from Brandon and Morden to help out. I believe Mr. Colquhoun did that himself for a period of time in the '70s.

MR. B. RANSOM: I believe that would have meant that there would have been a staff saving attributed to that office then of, perhaps, half to up to two-thirds of the salary of a registrar which now, I believe, would probably run in total in excess of \$55,000-a-year.

HON. R. PENNER: The registrar's salary, just to get that figure, is \$52,792 currently. If you operate without a D.R., in part rather than in whole, you save some specific portion of that obviously.

MR. B. RANSOM: How much time would Mr. Colquhoun have spent in Boissevain when he was doing it on a part-time basis?

HON. R. PENNER: In the 1970s? I think we're about to test Mr. Colquhoun's memory. Two days a week.

MR. B. RANSOM: So we're talking about something in the range of 40 percent of the cost then of a full-time registrar?

HON. R. PENNER: Plus travel expenses.

MR. B. RANSOM: It seems to me, Mr. Chairman, that there was a substantial saving to be made by operating that way, that they didn't need a full-time registrar, but it was administratively convenient to have someone assigned there on a full-time basis. It was also then administratively convenient to close that office down without looking at that as an option.

I suggest, No. 1, that the salary may be a little higher than the Minister just gave me. He gave me a figure of 52,792. I see that in Public Accounts for '83-'84, the salary of the gentleman in question was already \$53,713.80. So two years ago, or a year ago, it was already in excess of that. But there was a substantial saving to be made.

What we are looking at, when the Minister says that they could save 62,000 in salaries, they might well have been able to save 35,000 of that by operating the same way that it was operated before when Mr. Colquhoun used to go there two days a week, which is going to leave a cost in addition to that of maybe \$27,000, salary savings, by combining with Brandon - maybe - and another 16,000 or 17,000 in ongoing costs. So we are talking about a little more than \$40,000.00.

If it wasn't actually closed right now, I could not believe that there would be such a combination of political insensitivity and a desire for bureaucratic convenience to close an office that provides service in an area in a district, where the business is essentially generated in terms of the land base, to close that office and take four full-time positions out of a town the size of Boissevain, and a fifth full-time position who was working there but wasn't living there, plus a salary of a person to look after the building who is doing it not on a full-time basis, but that is a major impact on a town like Boissevain for the sake of alleged savings of something a little better than \$40,000 a year.

I would like to know from the Minister what kind of impact assessment was done as to the effect that this would have on users.

I know that when I was in government, when I served as a Minister, I instituted a system in my department that said that the staff couldn't bring forward a recommendation for such a change without doing an assessment, without telling me who else was going to be affected by it, because often the government can find things convenient to do but they are simply off-loading costs on somebody else.

I would like to know what kind of assessment his department did to know how this was going to affect the people who used the system. Was there anything done?

HON. R. PENNER: A couple of observations, and this is something that the member will be aware of, he's served in government for some time. I believe that for all of the time he was in government as a member of Treasury Bench, he was on Treasury Board, but even if he wasn't in all of that time to be on Cabinet, he will know that every year throughout the system, in the department that the Member for Swan River used to administer, there are staff movements, staff changes, and these in many instances are very difficult for the staff who are involved. There's no doubt about it, and

I said that in the House, that I'm not at all insensitive to the fact that in these decisions there is a human factor that sometimes cannot be fully assessed.

There are instances - there may be here, I don't know and I won't speculate - where moving from Boissevain to Brandon or wherever, may be a welcome move. I'm not saying that it is necessarily so, but it's not every move or every transfer that is seen as a major setback for an individual.

So there are those decisions that are made year in and year out by government of every political stripe in which there has to be, when you're running a provincial enterprise through 18 to 20 departments with 17,000 employees, that for a whole variety of reasons there are staff changes and staff transfers, and those changes are not without cost in the human sense. I will appreciate that.

The fact remains that when you say, well, you know, here are people who are living in Boissevain and they contribute to the Boissevain economy and that is pretty tough for a small town to absorb a loss of that kind, no doubt. But if you turned that around and say, well, then maybe there is a justification for putting offices there, whether they're really needed or not, whether you could find an option where you could accommodate some degree of centralization - decentralization on its own as a sort of a public policy option in order to improve the economic life of a number of smaller communities to that extent - cannot be justified only in those terms. You still have to look at the overall costs of running the system and how you can run it more efficiently.

MR. B. RANSOM: My question was, did you do any assessment of the impact on the users?

HON. R. PENNER: Yes, an assessment was done. It was known that - are you talking about users or the staff?

MR. B. RANSOM: Users.

HON. R. PENNER: Users, yes. Well, there were only two resident law firms in Boissevain. That's all, two resident law firms. We knew - I asked the question and received the reply that 80 percent of the work that was being done was being done by mail; 80 percent of the users operating that system by mail would find no difference in their ability to use the system by mailing a letter that's got a post office address in Brandon instead of Boissevain.

MR. B. RANSOM: The Minister is telling me that the only people that will be affected will be the law offices in Boissevain; it will not have any effect on other law offices in the district. All of these people who wrote the dozens of letters about the quality of the service that they got there, and the fact that they wanted to continue to do it there, that it will have no effect on those people. This is simply a figment of their imagination that they bothered to write and express their concern over it. They've done the assessment, and that's the result.

HON. R. PENNER: First of all, I'm not telling the member that something is a figment of people's

imagination. When people were writing those letters they were comparing the known to the unknown; they were comparing what they have, which people are always more comfortable with, to what they thought would be the case after April 26th. I'm not saying that there was a figment of their imagination; there were certain concerns, certain fears, certain insecurities, that's not unnatural.

But the reality of the matter is that - somebody down at the end of the table said, Virden, Virden. People in Virden who are sending a letter to Boissevain, I reiterate, are in no worse position, indeed, they might be in a better position, in sending a letter to Brandon.

MR. B. RANSOM: How much of the work of the Dauphin Office is done by mail?

HON. R. PENNER: Because of the relatively larger number of law firms in Dauphin, it's estimated by the Registrar General that something less than 50 percent of the work there would be by mail.

MR. B. RANSOM: Have there been any requests for additional space in Brandon, or additional staff in Brandon?

HON. R. PENNER: No.

MR. B. RANSOM: Mr. Chairman, I would suggest that will be something that the Minister will want to watch really carefully.

Just a couple of other questions then, is it the basic recommendation of the staff, or at least the assessment of the staff, that all of the functions of the land title system in Manitoba could be more efficiently carried out if it was all located in Winnipeg?

HON. R. PENNER: The staff of the Land Titles Offices under the Registrar General looked at the operations of the land titles system. They noted that, for example, in Alberta the whole system runs out of two offices with a larger population, a larger rural land base, I think, than in Manitoba by a considerable amount, much more scattered because you have your whole Peace River country and so on, and came to the conclusion that, yes, theoretically in any event, as it laid out on paper, you could run a very very efficient land titles system out of one central location.

I use those terms, rather than one office, because under the one roof you would have to have a Winnipeg, sort of operation, because Winnipeg accounts for 74.- something, almost 75 percent of the total operation, and another rural kind of operation. But it seemed to me, when I looked at that and evaluated it, it was something that would have to be developed over a number of years, it would have to go in synch with the computerization. I came to the conclusion this would be, Mr. Ransom, around January, February of '84, perhaps a little earlier, that indeed we ought not to go that way, that we would be overdriving our headlights. That might be something that some government 10 years down the line might want to deal with, but we should basically concentrate on computerization because I've known - I'm sure the member has known - computerization schedules that go awry faster than

you can shake a finger at them. I wanted to make sure that we were not overloading the system by trying to do too much too quickly.

Secondly, I thought that we could accommodate a little shrinkage outside of Winnipeg by some merger or closure. I left that to be looked at for the subsequent fiscal year, the one we're presently in.

MR. B. RANSOM: The Minister says that he made that decision. Was that then the recommendation, the preferred direction of the staff?

HON. R. PENNER: Well, you know, staff are asked to generate options. They do that and discussions are held with respect to those options, and decisions are made. Staff then doesn't come and say, well gosh that's not our preferred option. I can only say that, in this instance, the staff did not come, once the Boissevain-Neepawa option was articulated and I said we'll carry that up through Estimates, and say we think you should do more or less.

MR. B. RANSOM: Would the Minister be prepared to provide me with a copy of the recommendations that staff have put forward with respect to the land titles system, a copy of the file?

HON. R. PENNER: The year ago one? You mean, the basic recommendation about centralizing in Winnipeg, or the one that we're talking about now?

MR. B. RANSOM: Both, because I think they're tied in. There are recommendations respecting the entire system, and there are pieces of that recommendation that have been accepted.

HON. R. PENNER: Yes, I'll provide the member with both pieces of information.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: One question, Mr. Chairman, the Revenue Estimates indicate that the Land Titles fees will bring in a revenue this year of \$10 million. In 1981-82, at the point when the present government took office, the revenue was in the range of, and I discussed this with officials, Mr. Chairman, of 5.9 million. Expenditures have remained relatively static, so that they were approximately in the range of 4.2 million, 4.3 million in 1981-82.

I ask the Attorney-General what - the Minister of Finance is here too and maybe at his discretion - what justification is there for government to charge Land Titles Office users a rate of fees that is more than double the cost of providing the service? Expenditures this year are \$4.3 million. As I say, they have remained virtually static for the last three or four years but, when the Land Titles Office is taking in revenue of \$10 million, what justification is there to impose upon the users of the system, people who are buying houses, in many cases young people buying houses for the first time? Those fees were virtually doubled just a little over a year ago. They are really paying twice what they should be paying.

Surely the Land Titles Office should not be a method of taxing people in Manitoba. If the government needs

additional revenue - surely this government who speaks against user fees, who speaks about ability to pay, and here they are charging over double what they should actually be paying in fees.

I know, Mr. Chairman, and if the Attorney-General is going to throw this back at me, the Land Titles Office has for a long number of years - and certainly while I was Attorney-General - raised \$1 million or \$1.5 million over and above expenditures.

But I suggest that we have now reached a very disproportionate increase in fees versus the costs, when revenue is \$10 million and the costs of operation in the Land Titles Office is 4.3. The users are being taxed, and I suggest it's simply not an appropriate way of raising funds. It's certainly not in keeping with the NDP philosophy.

HON. R. PENNER: Reference was made by the Member for St. Norbert to the Minister of Finance and I've been studying the face of the Minister of Finance and that isn't an easy job at the best of times. In fact, I heard him mutter underneath his breath, you know, these guys are saying, get rid of the health and post-secondary levy, do this and do that and cut the deficit. Now we have the Member for St. Norbert saying, you've got \$10 million in revenue, why don't you give up half of that? I just don't understand.

It's not as if we didn't look very carefully at the land titles fees that we charge here in the Province of Manitoba compared to land titles fees charged in some other jurisdictions, Saskatchewan particularly when the last change was made - and we came to the conclusion that on that kind of a comparison we were undercharging.

The vast majority of people who use the land titles system will use it on the average of two times in their lifetime, the first starter house, and the second house, and maybe a third time when they are bold enough to get into a condominium these days - we're talking here about people relatively more in the middle class - and the fees that are payable to the land titles for transfer and mortgage once every 10 or 15 years, are not large.

MR. G. MERCIER: Well, just a last question. The Attorney-General is satisfied with this method of raising money for the government, does he consider this to be an appropriate charge by government?

HON. R. PENNER: That's a very good question actually, and I don't mean that in any way sarcastically. Gosh, I would really like it if we could develop a fair taxation system in this country pursuant to which all of those loopholes which drain this province of millions and millions and millions of dollars where we could get rid of them.

I think the income tax system could be - I might be a single taxer but not quite in the way that Henry George and Lloyd Axworthy, his modern day disciple, or single taxes - but if we could get everything whopped into the income tax system, take out all of the inequities and no one would be happier than at least two people around here, the Minister of Finance and myself. The Minister of Finance could go and take a fun portfolio like A.G. We wouldn't need a Minister of Finance. He could spend his hours thinking about Dr. Morgentaler and so on, instead of about money.

But seriously, no, I think there are a number of fees which can be described as user fees - that's right - in a sense that there are users who pay them. There are users who pay for the park system. I think that park system would be ideal if we could run it. You just drive through the gates, never mind paying \$5 or whatever it is you pay when you drive through the gates; you go up to the golf course in Wasagaming and Clear Lake and just start on Tee No. 1 when your number is called, never mind the fees and all of that would be wonderful, but that day will come when we have a fair income tax system.

MR. B. RANSOM: Mr. Chairman, I'd just like to put on the record that I find that the government's protestations about fairness and loopholes in the tax system begin to wear a little thin when you see the government entering into a contract with the chief executive officer of Manfor where they agree to pay money based on after-tax figures. What matter is it what kind of a tax system you have when the government itself agrees to enter into contracts that pay compensation in after-tax dollars?

HON. R. PENNER: I guess we could. I presume the Member for Turtle Mountain is talking about one element in the contract dealing with the movement expenses which is a — (Interjection) — well, he's also moving lumber products that are profit, and you know, that will show up. — (Interjection) — The member is right. That contract, which essentially was negotiated, you know — (Interjection) — Well, yes.

MR. CHAIRMAN: 6.(d)(1)—pass; 6.(d)(2)—pass.
6.(e)(1) Personal Property Security Registry: Salaries; 6.(e)(2) Other Expenditures - the Member for St. Norbert.

MR. G. MERCIER: Briefly, Mr. Chairman. I just want to make the same point about this area as I did about the Land Titles Office system. I have no complaints about the system, it has operated well, but expenditure is 855,000; revenue is 1.97 million. Again, we have the users of this service paying double what the expenditures really require as a fee for that service.

HON. R. PENNER: Well, the point is on the record, and I'm on the record, that ultimately I would prefer to see government services at cost and maybe one day the Member for St. Norbert and I can form our own political party; that will be an interesting one.

A MEMBER: Can I watch?

HON. R. PENNER: That's what you've been doing.

MR. CHAIRMAN: Question? 6.(e)(1)—pass; 6.(e)(2)—pass.
6.(f) Canada-Manitoba Criminal Injuries: Compensation Board - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, on what basis does the board pay the administrator's charges to the Workers Compensation Board?

HON. R. PENNER: We've changed the system because the system was a formula system that we felt was not fair to the department. We're now paying actual cost.

MR. G. MERCIER: Mr. Chairman, what is the charge to the Criminal Injuries Compensation Board for office space?

HON. R. PENNER: By the Workers Compensation?

MR. G. MERCIER: Mr. Chairman, my understanding is, and perhaps the Minister could confirm this, has the Criminal Injuries Compensation Board opened a new office on Portage Avenue?

HON. R. PENNER: I don't have, tonight, a breakout of the rental cost. We were, when we were located on Maryland in the Workers Compensation Building, being charged at the rate of \$6-something a square foot. I still think of rental costs in those terms, I can't get adjusted to metric there. I think it's more now that they've been moved, but I don't have a breakout of how much more.

MR. G. MERCIER: Mr. Chairman, would the Attorney-General then undertake to obtain those new rental rates and the costs of any additional expenses incurred as a result of moving into these new premises?

Were additional persons hired? What was the reason for the move?

HON. R. PENNER: For the record, there were no additional persons hired. The reason for the move is that the board, the Workers Compensation Board, said we need the space.

MR. CHAIRMAN: 6.(f)—pass.
Resolution 21: Resolved that there be granted to Her Majesty a sum not exceeding \$16,838,200 for the Attorney-General, Protection of Individual and Property Rights, for the fiscal year ending the 31st day of March, 1986—pass.

Back to the Minister's Salary.

HON. R. PENNER: Well, under Minister's Salary we first discuss the Liquor Control Commission.

MR. CHAIRMAN: Yes. The Honourable Minister.

HON. R. PENNER: Thank you, Mr. Chairperson. Let me introduce the staff of the Liquor Control Commission who are with us tonight.

We have Bill Emerson, the General Manager and Chief Executive Officer; Al Ahoff, who is our Assistant General Manager of Finance; Irene Hamilton, Corporate Secretary and Counsel; and Archer Jackson, Director of Licensing.

Between them, and with the occasional helping hand from the Commission, and the very occasional helping hand from the Minister, they are bringing into the provincial coffers something in the order of, one way or another, about \$140 million or \$142 million per year. Shall we all drink to that?

I furnished the Member for St. Norbert, and all members of the House now, of course, have the 61st Annual Report.

MR. G. MERCIER: Mr. Chairman, the latest report from the Commission as of March 31, 1984, referred to a

decline in the sale of spirits in the amount of 11.3 percent . . .

HON. R. PENNER: What page is the member on?

MR. G. MERCIER: Four.

HON. R. PENNER: Okay, thank you.

MR. G. MERCIER: . . . a decline in the sale of wine 5.5 percent, and an increase in beer of 5.6 percent. The revenue estimates indicate that the Liquor Control Commission is to go from raising \$130 million in this fiscal year to \$141 million; could the Attorney-General advise how this increase in revenues is going to occur in the face of declining sales? Perhaps he could indicate on what basis is the sum of \$141 million estimated to be the revenue from the Liquor Control Commission in this year?

HON. R. PENNER: As the member now knows, of course, because the Budget has been tabled and dealt with in the House, there's no increase in revenue that is being obtained from the Commission by way of taxation and increased pricing, the expectation on the basis of, pretty good market research and I must say the Commission has been kind of dead on, and certainly in recent years, is that there will be some modest increase in consumption levels, and we're already witnessing that kind of increase with the sale of spirits.

MR. G. MERCIER: An increase in sales, compared to last year?

HON. R. PENNER: Yes.

MR. G. MERCIER: Is that right?

HON. R. PENNER: An additional feature there is that we take our markup, as the member knows, on sort of the gross cost and when the feds, with their indexing on the excise tax, add on a little bit of an impost in September, we're topping up on that. Well, it's another example of federal-provincial co-operation actually.

MR. G. MERCIER: Well, this pricing is just absolutely unbelievable, Mr. Chairman, particularly when you have visitors here from the United States, when they see the prices that Canadians have, and this almost insidious markup, for example, on spirits of 138 percent, which will take effect a couple of times. Mr. Chairman, the Minister of Finance is muttering from his seat, perhaps some stage during the discussion the Attorney-General will advise him how much his government has increased the markup percentage since they took office.

Mr. Chairman, as I was saying, this markup will be applied twice yearly now as the federal government applies that excise tax, not that I support that in any way. I wonder, Mr. Emerson has been kind enough in the past to provide the Committee with product price changes over the past year and bring the Committee up-to-date on some items in stock which can be used as a comparison.

HON. R. PENNER: Okay, I can provide some information. Let's track through a Canadian spirit

whiskey and go back to a magical moment in Canadian history, November 17, 1981, when the price was \$9.95; May 4, 1982, there was supplier price changes that brought that to \$10.40; May 30, 1982, there was the Budget and provincial markup increased the price to \$11.20; September 1, 1982, federal tax increased to \$12.10; March 6, 1983, another provincial markup in sales tax increase bringing us to \$12.65; September 1, 1983 was a blow, federal tax increased and supplier price changes brought it to \$14.10; October 1, 1984, federal sales tax increases and some beneficial supplier price changes kept it at \$14.10.

Taking an imported Scotch, and those same dates starting in November 17, 1981, \$13.95 and jumping ahead, saving the intermediate steps on May 1, 1984, with some supplier price changes brought it to \$18.25; October 1, 1984, the feds and some supplier changes to \$18.75; but by May 1, 1985, some price reduction down to \$18.35. So there's a little bit of a slide down there.

Just a couple more, there's been far less significant changes, at least in absolute dollar terms, in wine, domestic wine, Andres Hochtaler - November 17, 1981 to 1985 and then a series of changes ends up where in May 1, 1984, it was \$4.15; October 1, 1984, \$4.25; currently the same. And an imported wine of no great quality, Cressman, \$3.90 in 1981; \$5.65 October 1, 1984; \$5.60, a marginal decrease, May 1, 1985. In fact, that wine's tracked down since May 2, 1983, when it reached a top of \$5.90 and it's now down to \$5.60.

Would you like a domestic beer? November 17, 1981, \$5.70; and some fluctuations, but there the increases have been steadily upwards and we have October 1, 1984, \$8.30; April 1, 1985, supplier price changes \$8.80.

MR. G. MERCIER: Mr. Chairman, since this government took office, 1981-82, the revenue to the government from the Liquor Control Commission was \$90 million. In their fourth year in office it is now \$140 million, an increase obviously of \$50 million which is consistent with the increases in the price of the products that the Attorney-General referred to.

I ask the Attorney-General, are Manitoba's prices of imported spirits second highest in the country?

HON. R. PENNER: I think we'll have to be a little more selective. If we are talking about spirits, in some instances third, some fourth, and in one instance, and that's Ballantyne Scotch, were the highest in the country.

MR. G. MERCIER: How does the province rank generally with respect to domestic spirits, or is that just the same?

HON. R. PENNER: Domestic spirits, fourth from the top.

MR. G. MERCIER: And wine?

HON. R. PENNER: Wine, there is where we are much more advantageous. I am dealing with an imported wine - Blue Nun Liebfraumilch - does that mean what I think it means? "Love your mother's milk." Is that what Liebfraumilch means, Victor?

MR. CHAIRMAN: The Minister of Finance.

HON. R. PENNER: No, no, no, he doesn't want to answer that question. We are third from the bottom at \$5.40; and with domestic wine, André's Baby Duck - God help us - fourth from the bottom.

MR. G. MERCIER: Mr. Chairman, could the Minister not confirm, in '81-82, Manitoba had the lowest white wine prices in the country with the possible exception of Alberta who didn't apply any sales tax?

HON. R. PENNER: Yes. If you take Alberta out of the picture because of the lack of a sales tax, then in imported wine in the Liebfraumilch, we are second from the bottom and there is a 30 cents differential between us and Saskatchewan. But there are some brands in which we are the lowest, if we were to give you a complete listing, but we are pretty close to the bottom.

MR. G. MERCIER: What generally about beer prices?

HON. R. PENNER: Beer prices, we're about mid-range, I think. I will just get you those figures. There has just been an increase that has brought us to seventh, exceeded by Saskatchewan and B.C.

MR. CHAIRMAN: The Minister of Finance.

HON. V. SCHROEDER: Mr. Chairman, the Member for St. . . . after listening to this for an hour, it's very difficult not to. We have had the Conservatives sitting here all evening, talking about increasing our expenditures. They complain because you've got an efficient Land Titles Office operation that is saving money, and they're suggesting ways of spending more money in the Land Titles Office. Then they turn around and say you're making too much money in the Land Titles Office; you should cut down on the money that you make there.

Then when we get to the Personal Property Security Registry, they talk about us again making too much money; we should cut down. When we get to the Liquor Control Commission, there is this implied notion of somehow we're gouging people. We're being told about U.S. people coming here and telling us about their alcohol expenditures down there.

Well, if he wants to talk about the U.S., let him talk about the expenditures we have as a public body in Canada as compared to what they have in the United States. In the United States, the health care sector has been abandoned to the private sector. Even though costs of health care in the United States on a per person basis are higher than they are here, they're borne in a different fashion. Here they are borne publicly.

We recognize here that the cost of alcohol overall is considerable in our health care system. Part of the price of alcohol has to go back into that system, a hospital system, where in the U.S. basically it's private, over here we're spending.

On the other side of the coin, we're hearing their other critic in the other place. He's been there for four weeks, moaning and groaning and mumbling and crying about lack of this, lack of that, outdated this, not enough staff here, not enough money there and so on. We're spending more than \$4,000 per family of four for health care in the province.

We don't hear a word about any suggestions of saving money. They just keep talking about spending more money. They keep talking about us getting less revenue. They don't make any connections between the fact that the public has to come up with that \$4,000 per family of four and the fact that some alcohol is going to have to cost a little bit of money.

They talk about being straightforward with people. Their leader the other day was at a meeting and he was saying people want the truth. Here they are, running around the countryside, telling people we want more highways. They're promising a new hospital over in southeastern Manitoba, double the amount of rooms that are being prepared by the current Minister of Health. They're telling us the Health and Education Levy must go, and of course they're saying the deficit is too high.

I find this rather about as far away from truthful as you could possibly get. Where is the integrity of an argument that says we should cut down alcohol prices? We should cut down on revenues all over the place, and we should add on to expenditures all over the place, and we should cut down on other taxes, yet we should have a lower deficit. How does that argument hang together in any rational way?

This is again, Mr. Chairman, the product of a research department that is too busy just looking for votes and parties and fun, the fun party that just plays around with trying to get fast headlines, fast little shots in there. They've got day-old newspapers and anonymous phone tips; that's their whole research department. They spend their revenue in a way that's just obviously not meant to gather any facts or do anything useful.

Here they are, coming back here and telling us that somehow our liquor prices are out of whack, and suggesting I suppose, although they don't dare put it on the record, that if they ever formed a government they would reduce the prices. We know as Manitobans that they would not do so. We know they didn't do so when they were in office. They increased prices just like any other government will increase prices. I'm not going to tell you that we won't increase prices again, but be honest about it.

MR. CHAIRMAN: The Member for St. Norbert.

HON. R. PENNER: And after today, no more Mr. Nice Guy.

MR. G. MERCIER: Sometimes it's nice to hear from the Minister of Finance, Mr. Chairman.

I would just like to ask a question of the Attorney-General, and ask him if he's given it any consideration? The Ontario Government back in late 1984 - I don't know whether it's through legislation or by policy through their Liquor Control Board - banned Happy Hours. Is the Attorney-General or the Liquor Control Commission here giving that any consideration?

HON. R. PENNER: I believe that the member or someone raised that point last year which doesn't mean that it's not a valid point or a point worth exploring. I recall when I looked into it then, but I'll look into it again, that we have encountered no identifiable law or liquor enforcement problem around the Happy Hour

here. In fact, I believe some places which operate at Happy Hours have found that they really are not particularly happy about the Happy Hour and have gone out of it.

Whether or not it's a change in lifestyle or whatever, I don't know, aging population - who knows? It's not as big a deal as it once was, and there is a gradual trend away from the Happy Hour.

MR. G. MERCIER: Mr. Chairman, is the Attorney-General planning any amendments to The Liquor Control Act at this Session of the Legislature?

HON. R. PENNER: Yes, I'm considering some substantially technical amendments.

MR. CHAIRMAN: The Member for Elmwood.

MR. R. DOERN: Mr. Chairman, I'm surprised that Happy Harry wants to get off the Happy Hour here.

I wanted to ask a few general questions, maybe a few specific ones first. I attended, like many other Members of the Legislature, the dinner for Her Majesty the Queen last year, both the federal and the provincial dinner. We were served there one of the worst wines I ever drank in my life which was an Ontario wine. I can't remember the name, but it would come back to me if I heard it.

A MEMBER: Inniskillin.

MR. R. DOERN: Something like that. Enniskillen? Inniskillen?

A MEMBER: Inniskillin.

MR. R. DOERN: Well, I consider it the worst wine I've ever tasted, and it was served at both banquets. I don't know what effect it had on some of the people, but it must have been shock for our foreign dignitaries. One of the questions that occurred to me at that time was, well, isn't there some Manitoba wine at this point in time? My impression was - I mean, anything at all in a bottle would have beaten that, anything excluding home brew.

But surely there is something in Manitoba at this point in time, or is it just that there is one distiller who rebottles and that doesn't qualify as a Manitoba wine?

HON. R. PENNER: I'm sure the member won't mind if I correct him slightly; distillers don't bottle wine. They distill spirits, and we have a distiller, Seagram's, up in Gimli.

MR. R. DOERN: A winery.

HON. R. PENNER: But, no, we have two sort of bottlers, Andrés in Morris and Brights in Winnipeg, both bringing in Wine by the tank car and putting it either in the casks or in bottles. But, I would not want to put myself in the position, during Estimates in any event, of comparing those products with the Inniskillin product.

MR. R. DOERN: I would only say in passing, Mr. Chairman, that I don't know what quality either of those

wines are, but they have to be at least as good as the Ontario wine, because that I thought was the worst of all time. It just struck me as peculiar that, if we have a Manitoban banquet and were going to serve wine, if we're not going to serve foreign wines, which probably are the best, without question, then the least we should do is not serve an inferior Ontario wine.

I'm also looking at these numbers in the Annual Report and I find them quite surprising in terms of Page 8, and then some of these charts in terms of Pages 22 and 23 where it seems quite clear that there has been a falloff in sales. If I look at Page 8, there again, I think this was already mentioned by the Member for St. Norbert, a decline of 11 percent of spirits and wine, 11 percent of spirits and 5.5 percent of wine, and an increase in beer sales. Then, if we look at the charts on Pages 22 and 23, we see further declines.

So, I'm simply saying, I don't know what the simple explanation is. I guess the simplistic explanation is that people are drinking more beer instead of spirits, and more beer instead of wine. Now there was a trend that went on for at least the last decade that wine was replacing spirits, or more wine was being consumed, but now we seem to be into a situation where wine sales are down as well. I wondered what explanation the Commission or the Minister offers, by way of explanation, for this change in consumption?

HON. R. PENNER: There isn't a ready explanation. Some of it, no doubt, is price related. Some of it, no doubt, is related to the continuing fairly low level of economic activity with a very continuing large number of unemployed. This is bound to affect the consumption of what has to be discretionary purchases. There is no doubt about it. There is also considerable public education which is taking place, and it's bound to take effect and I believe to some extent it has taken effect. There are changes in the demographics of the population which have some bearing.

It's a little too early to draw anything that could even approach a definitive conclusion. I would really think that we would want to see a couple of years of the somewhat better times that we've begun to experience under this government, and the relative price stability which I think will have some effect, we'll take a look at it. I would predict and then the general manager and chief executive officer, I think, is predicting that we'll see some slight upturn in this year as we enter more fully into the era of the yuppies.

MR. R. DOERN: Mr. Chairman, do we have any comparisons with other provinces or in the United States? For example, I saw an item on a television show recently in which Seagram's was trying to advertise in the United States on the networks and their ads were disallowed. What they were trying to convey to the public was, for example - I don't know what ratios they were using, but let's say for example - that an ounce of rye was equivalent to so many ounces of wine and so many ounces or a glass of beer. They had this ad showing the three glasses, and the man in the ad was saying, in effect, that this product here is equivalent to this which most people would instinctively think, you have more alcohol in a small tumbler, let's say, than in even a glass of beer, but they were trying to point out that these were all equivalencies.

Now aside from the ad, I deduced from the ad that Seagram's was either being moralistic or informational, which I don't think they were, but that maybe what they were trying to do is recapture some of the market. Maybe they were having a fall off in sales relative to beer and wine.

So my question is: is our experience similar or comparable to other provinces, or are we the exception?

HON. R. PENNER: Our experience in sales trends?

MR. R. DOERN: Yes.

HON. R. PENNER: Generally at the beginning of the upturn that we see particularly of course with beer, it's better than certainly the other western provinces.

MR. R. DOERN: I'm sorry. I didn't hear that last part about the western provinces. It was the same?

HON. R. PENNER: No, in terms of the beginnings of the upturn, we're doing better than the other western provinces.

MR. R. DOERN: I don't know whether the Minister has any responsibility here or not, and I certainly intend to discuss this with the Minister for the Environment. But does the Minister have any comment about the relative merits or demerits of bottles and cans of beer, because my impression is that cans are becoming ever more popular and unfortunately are becoming more popular in terms of litter in our parks and in our cities, etc., and I'm just wondering if you have any information, first of all, about the relative or absolute increase in the use of cans in the beer part of the industry.

HON. R. PENNER: We've been tracking the sales of canned beer very closely, because there are some concerns. I can advise the member that the last 12-month average that we have would show that about 10.7 percent of the total volume of beer sales is in the form of canned beer, and that indeed there has been no marked increase.

It's seasonal incidentally. It goes up quite sharply in May, June, July, August, and begins tumbling down. You get a low point in December of 5.5 percent. The reason for that is that the relative portability of canned beer and the fact that it stays colder in the can longer than in the bottle, so that if you're out on a picnic and those are concerns - how long to you have to tote a 24-pack and how cold will it be an hour or so down the line when you want to have your lunch or your barbecue? Canned beers are a beer of some preference in the summertime. But Manitoba here, unlike Ontario to some extent and unlike some American jurisdictions, has not gone hugely into cans.

In terms of the environmental concern, it becomes a matter almost of individual judgment. I should say that there is a control feature here. That is, as the member may know, there is a return policy with respect to cans and while this started off rather weakly, it has gained strength, and we're seeing a greater return factor in cans than when we originally started.

But the other factor is this: Cans littering a site are unsightly and not nice. You get that with soft drink cans

as well, of course. But bottles, particularly broken bottles quite frankly, personally, I would consider as a person who's spent a lot of time in the country and on lakesides, bottles are an absolute menace. I mean, when you see cut feet and cut hands and severe gashes from bottles, and they're a problem to deal with in terms of disposal. You might go to the lake after the winter and see what's on the lakeshore from the ice fishermen, and I don't mind gathering on my own little piece of territory the cans and crushing them and putting them into a bag but, boy, when you have to start toting the bottles and the broken bottles, I guess if I had my druthers, it would be the cans.

MR. CHAIRMAN: Is the member finished?

MR. R. DOERN: No, Mr. Chairman.

What is the exact amount of a refund or a return on one beer bottle and one can?

HON. R. PENNER: 10 and five.

MR. R. DOERN: Now one thing that I am totally unaware of is the number of cans that are returned. I mean I don't know where cans are returned; I have never seen anybody return a can; I have never seen anybody collect cans to be returned. Now maybe that's a unique experience but, for example, where are cans collected and where can they be taken?

HON. R. PENNER: The last figure that we have of the percentage returns is 50 percent, which is very high. They are returned through hotels, the brewers' supply bags, the collecting bags that can be used, and I suppose people are returning them substantially to the point of sale, their local point of sale.

MR. R. DOERN: Okay. So you are saying 50 percent of cans are returned?

HON. R. PENNER: I am not only saying it, that's what I said.

MR. R. DOERN: Yes . . .

HON. R. PENNER: Yes . . .

MR. R. DOERN: . . . that's what I said you said.

HON. R. PENNER: That's what you said I was saying.

MR. R. DOERN: The other question is what percentage of bottles are returned? I would imagine it would be 90 percent or more.

HON. R. PENNER: I would think that's about right; it's certainly a higher percentage but then, of course, you are dealing with a higher percentage of a very much higher volume. So if you have 90 percent of the sales you have, in terms of the number of bottles that are left out there, a greater number than a 50 percent return of 10 percent of sales.

MR. R. DOERN: Maybe I missed that figure, but what percentage, approximately, over a year is glass bottles, and what percentage is cans?

HON. R. PENNER: Okay, the bottle sales - there is some draft in there so we'll take out draft - account for about 80 percent of all sales of beer, and cans about 10 percent. The bottle sales - let us suppose that there is a 90 percent return, okay - then there is 7.2 percent left out there in the field factor; the returns on the 10 percent cans are 50 percent, so there is 5 percent left out there on the field factor.

MR. R. DOERN: Now I assume that we, the government, set the price of returns, or is that not the case? Who sets the price of the 10 and 5?

HON. R. PENNER: We do.

MR. R. DOERN: Right, okay.

HON. R. PENNER: But this, incidentally - I think this will be of some assistance to the member - you have to look at net cost; this is in the context of a higher price on the canned beer to begin with.

MR. R. DOERN: All right, then, the question is: What would prevent us from raising the price of returns? For example, it would seem to me that if one increased the price of a bottle - at one point I think you got 2 cents for a bottle, and maybe that was okay at one point, and then as the years went by that became laughable so that nowadays we are hearing reports on the media that the dollar bill may be biting the dust and that they are now seriously considering using a coin in Canada. Now we will see about that, but the dollar isn't what it used to be. The question is: What would prevent us from significantly increasing the cost on returns? Because I am one of those who believe that if you do so you will get a significantly higher percentage return and, therefore, less litter in the parks, on the streets and in our provincial parks, in particular.

So I am saying, what would happen to the industry if we (a) raised the price of cans to 10 cents; or (b) raised the price of bottles and cans both to 25 cents, or some much larger amount of money. In what way would that harm the industry, or affect the industry, because it certainly helped the environment?

HON. R. PENNER: Well, we really are spinning our wheels a bit because we go back to the basic question of whether bottles or cans are more harmful to the environment lying around. There is no doubt you could so increase the price of cans that, relative to bottles, the volume of cans sold would go down. But, you see, that's what would happen initially.

The members suggest that what you are really raising is the amount of the return. Well, they are not going to raise the amount of the return without raising the price of the product, and the price of the product is already considerably higher in a can than in a bottle. So that if you, in fact, did that what you would really effectively be doing is altering the marketplace to the extent where there would be more bottles vended than cans to begin with. I am not so sure that environmentally it's anything more than a Hobson's choice.

MR. R. DOERN: I am afraid I don't follow the Minister's argument. You would add 15 cents to the cost of a

bottled drink and 20 cents to the cost of canned drinks, so there would be a marginal difference.

But I am saying, is this a decision of the Attorney-General, as responsible for the Liquor Commission? Is that his direct responsibility compared to the Minister for the Environment?

HON. R. PENNER: In the first instance, but I mean we are collegial. This is not a new question for me; I have been discussing it on an ongoing basis for over two years. Representations have been made to me from conflicting interests. There are those who would, for reasons of jobs, like to get rid of cans entirely. A bottling line employs more workers than a canning line; there's no question about that. But we don't live in a marketing vacuum and, if we were to increase the return on a can, what we would be doing, in the first instance, is vastly increasing the trade and traffic in empty cans being brought in from Ontario and Saskatchewan to take advantage of a windfall kind of profit that can be made on empty cans.

My officials in the Commission and in the management of the Commission and in the industry feel that we would really be inviting more problems than we could resolve.

MR. CHAIRMAN: The Member for Minnedosa.

MR. R. DOERN: Well, I just had one or two more points and then the Member for Minnedosa has a number of questions.

MR. CHAIRMAN: The Member for Elmwood.

MR. R. DOERN: What is the return in Saskatchewan and Ontario on bottles and cans?

HON. R. PENNER: There are no cans in Saskatchewan, and in Ontario the return is the same as ours.

MR. R. DOERN: Yes. And bottles are the same in the three provinces?

HON. R. PENNER: Yes.

MR. R. DOERN: Okay. My final question at this point, the Commission, I think, has been fortunate for a long time in refusing to take bottles back, and I don't know about the relative convenience, but I am just saying is this a policy that has been in effect at the MLCC since Day One, or was there a time where they took beer bottles and then after a certain point in time refused to do so?

HON. R. PENNER: To my knowledge, I stand to be corrected, but the Commission never took bottles back.

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

MR. CHAIRMAN: Member for Minnedosa.

MR. D. BLAKE: Mr. Chairman, I just have one or two questions.

I notice on Page 4 of the report, it mentioned a new inventory control system was introduced in all liquor

stores achieving a 21 percent reduction in inventory volume. The high standard of stock availability on store shelves was maintained.

Further on, it mentions merchandising and customer service. In connection with the inventory control, and I only speak for my own area, there are continually reports of stock shortage on certain brands. They are not able to stock enough of the product on their shelves of the lines that move, that they run out. They also supply a very heavy tourist industry in the Clear Lake area that order from the store and it's very difficult for them to get enough lead time; they are unable to carry enough stock to meet these requirements in many many instances.

But I just wondered what discretion the local store managers have in maintaining a stock. They are the ones who know what moves in a different area. Certain brands move in one area and would move more slowly in another area, and there are continual reports coming to me of the store being out of a certain product. I just wondered what this new inventory control system had done. It seems that it's a fairly new complaint that is coming in.

HON. R. PENNER: Subject to certain policies that are applicable generally, the vendors have a considerable amount of discretion.

We have a system that was designed to prevent unfair competition between the various wholesale vendors of distilled spirits who, if they could effect a monopoly, might be inclined to offer inducements. You know, you stock only Seagram's and never mind all of this other stuff, and you'll get one free case a year or . . .

MR. D. BLAKE: I couldn't believe that happening.

HON. R. PENNER: No, and I don't want you to think, Mr. Blake, that I'm debasing the human spirit, but that kind of thing does happen out there. So the Commission has a policy where within each category, the stores are asked to stock more than one brand. There is a category of bi-spirits and there is a higher priced category, so that subject to that policy there is a lot of discretion.

MR. D. BLAKE: What can be done to eliminate the shortage occurring weekend after weekend in certain brands? If a report were to go into the Commission that these are the brands that move more frequently than others on weekends and there is a continual shortage in that particular line, would that be sufficient to enable the store to carry a certain number more of that one product than another one?

HON. R. PENNER: I'm sure the Commission would be more than happy to look into that and as long as the system was operating within the overall regulatory scheme, then they would gladly accommodate a vendor.

MR. D. BLAKE: I'm thinking of the overall merchandising and the various other items that are mentioned and the welfare of the customer and the desire to serve the customer well. I should think that would have some preference. Should those complaints be directed to the commissioner? Should they be directed to the local store manager, or just what would

be the best route to take on that? Should the Chamber of Commerce take it up and complain to the Commission, or can that be handled without going through some formal system of complaint?

HON. R. PENNER: I think the most effective way would be for the disappointed customer to say to the vendor, look here, what's happening? Would you get hold of the supplier, that is the MLCC, and ask them to rectify the situation? I don't think you need the involvement of the Chamber.

MR. D. BLAKE: They kind of look at their MLA in the rural areas as a Mr. Fixall, you see, so they kind of heap all this on me rather than on Mr. Emerson and . . .

HON. R. PENNER: Well, some MLAs know more about this than others.

MR. D. BLAKE: You notice I haven't mentioned the lopsided convictions, this year. I noticed they're down. So we'll let that be sufficient.

HON. R. PENNER: I noticed that and we're working on that.

MR. D. BLAKE: But that's sufficient of an answer then, Mr. Attorney-General. We'll rectify in the local area and we'll get a letter off to outline some of the areas because there are several brands that are short every weekend out there.

HON. R. PENNER: The Member for Springfield very recently raised a similar problem with me and I immediately took it up with the Commission and sent a letter to the Member for Springfield - we rarely talk so I send him letters - outlining the whole policy that's involved here. I'm very happy to do the same.

MR. D. BLAKE: When I brought this to the store manager's attention, he indicated there was a formula they had to work under on the amount of stock they could carry.

HON. R. PENNER: Yes, but that does allow a lot of discretion.

MR. D. BLAKE: Very good. We'll see that it's looked after. With the approaching tourist season, we have to keep the tourists happy, when we charge them three times as much for their product as they can get. Well, we're tourists all the time. We used to have a ski resort there.

MR. CHAIRMAN: The Member for Elmwood.

MR. R. DOERN: Mr. Chairman, I want to go back to a question that was raised by the Member for St. Norbert earlier which distressed the Minister of Finance and I think all of us who have had the privilege of serving in Cabinet have voted for raising the price of liquor as an easy source of tax revenue. I keep hearing complaints about three particular people I know, who are all professionals, who keep telling me over and over

and over again with great persistence and great force that the price of liquor in Manitoba is too high.

HON. R. PENNER: Professional what?

MR. R. DOERN: Professional people, but people who also drink and people who also buy liquor and people who also hold their liquor quite well, and they claim that we've passed the point of no return, and they, of course, always point to the American example and Happy Harry's Bottleshop and the rest. It just seems to me that as I keep listening to this, I've been listening to them for about two years now, making the same repetitive argument, arguing that it hurts tourism, arguing that it hurts the hospitality industry, etc. I guess the first question I have in that regard is, do all provinces use the liquor industry in the same way as we do, namely as a goose that lays a golden egg? Or are there any provinces that, for example, have significantly lower liquor prices, or perhaps have frozen the price of alcohol in their jurisdictions for a couple of years or made very minimal increases in the last few years?

HON. R. PENNER: It has been my experience that the provinces without consulting - they don't do that - but tend to budget more or less in the same way so that for the past couple of years, for example, there have not been liquor taxes added in this province, but that's been the same for most of the other provinces. We all came off a series of tax increases and clearly reached an optimum price where anything more would have been self-defeating and so, in a fiscal sense, all of the provinces sobered up and said, well it's silly to go on adding if you're just going to cut your sales to the point where you've gained nothing. So there's been absent the federal excise tax which is added every September, rain or shine, there haven't been these kinds of tax increases in the provinces at the provincial levels. But all the provinces use sin taxes as a way of raking in so extra money - tobacco, booze.

MR. R. DOERN: I'd have to go to the Minister of Tourism, I think to get an answer about the effects on tourism or the hospitality industry. I'm sure that the Hotel Association would have something to say about that. I guess we'll be eating and drinking with them shortly; we might get some direct comment from them somewhere in the next couple of weeks. But, you know, when I look here again at Page 22, and so on, and I listen to these three people who are, you know, all sort of separate friends and acquaintances, forcefully arguing that the prices are way too high, etc., etc., and then I look at these numbers on Page 22, one might deduce that there's a direct correlation between price and demand. You know, the other economic question is about elastic and inelastic demand. I mean, what would happen if there were a freezing of liquor prices or a reduction of liquor prices, would there be a direct increase in demand, or is it something difficult to correlate?

HON. R. PENNER: I suppose it is. It could make another argument in this area, and that is, presumably, if you could produce about the same number of dollars as a revenue, while consumption per capita is going down,

you've got to pretty well balance social policy. We would all like to see the consumption of alcohol go down to some extent, rather than go up. We're really not in the business of promoting an increase in the per capita consumption of booze. I have no doubt the three professionals that the member refers to, over the period of time and the period of price increases which have caused them to cry into their Ballantynes, have shown increases in their own income that far exceed anything that we've done. But you know, sometimes with some people the more they make, the more they cry the blues about how tough their life is.

MR. R. DOERN: The more they have to drink as a result of that.

HON. R. PENNER: That's right, it's self-defeating.

MR. R. DOERN: The other question I have there is, and I don't know if the Commission keeps tabs on this, but is there any correlation with declining sales in spirits and wine with the sale of equipment for making your own wine, etc., at home or I don't know if there still are any bootleggers left in Manitoba, but what is happening in those areas where you have sort of extra-governmental industries in this area? Is there any growth that can be measured?

HON. R. PENNER: I have no way of knowing. I suspect that the home wine-making fad has kind of levelled off, because people always feel that, gosh I make stuff at home that really you couldn't buy in the Commission; to which the rest of us, say, thank God.

Given, with respect to wine, the relatively low price of some top-notch wine, I mean really good palatable stuff, why anybody would want to go to the job of spending half the fall trampling on grapes, I don't know. It's a losing game. I have no doubt that there's still Excise Act prosecutions in the province. They're not run through our department so I don't track them; they're run through the federal justice.

There's no doubt if you increase the price significantly from the present levels that you would encourage home wine-making and some upsurge in the Interlake economy.

MR. CHAIRMAN: The Member for Wolseley.

MS. M. PHILLIPS: Yes, Mr. Chairperson. I just wanted to comment that I don't think that the Attorney-General should apologize in any way for any increases that the Minister of Finance has put on the price of liquor in our province, considering the massive social costs that we as a society have to bear, both financially and in terms of all kinds of strife in society, both with young people and with family violence, etc., that's directly correlated to alcohol consumption. I think that any returns that we make in terms of the price of liquor itself only go a small way to pay for the social costs that society has to bear, so I don't think he should apologize at all if a few "professionals" have to pay an extra couple of dollars for their bottle of Scotch every week.

MR. CHAIRMAN: Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, just a comment for the record. I understand Mr. Archer Jackson will be retiring shortly from the Commission. Perhaps it's appropriate to place . . .

A MEMBER: He is too young, he certainly looks too young.

MR. G. MERCIER: . . . on the record, certainly my appreciation for his advice and services when I occupied the Attorney-General's position. I'm sure the present Attorney-General would concur in those remarks, and I certainly want to take this opportunity to wish him well in his future endeavours and a long summer on the golf course and happy retirement.

HON. R. PENNER: Thank you very for that and it gives me the opportunity to add my thanks on the record for a job very very well done. It is a loss to the Commission. No doubt, again to Mr. Jackson and his lifestyle and life expectation, but this fad about early retirements, it's catching. Gosh, maybe the Member for St. Norbert will consider early retirement from political life?

MR. R. DOERN: Not voluntary.

MR. G. MERCIER: Involuntary, I believe. I have no more questions.

MR. CHAIRMAN: Back to the Minister's Salary: 1.(a) - the Member for Elmwood.

MR. R. DOERN: I have a quite a few questions here. Maybe I'll ask one or two and then we can adjourn at 10 o'clock. One question I wanted to ask the Attorney-General about is that he has in fact been having meetings with Rick North over the past couple of months, and has been well aware of the hunger strike, etc., but he has also been contacted a number of times in regard to matters before the Human Rights Commission by Herb Schulz. Mr. Schulz has written to the Attorney-General concerning some complaint that he registered about discrimination. I was just wondering when the Attorney-General will give Mr. Schulz the time of day to discuss this matter.

HON. R. PENNER: Mr. Schulz's case was discussed at some length here earlier today, and I don't think it would profit us much to rediscuss it. I pointed out that Mr. Schulz's case is in fact now being actively pursued by the Commission. There was a delay, partly attributable to the retaining of outside counsel by the Commission to get a legal opinion on the basis for the complaint. Now the Commission subsequently directed a number of questions to myself who is responding on behalf of the government. I have quite recently, within the last three weeks replied, and I've also replied to Mr. Schulz and pointed out that he in fact, as the complainant, and I, acting for the government as a respondent, and in those circumstances when the Commission which is appointed to look into these matters and must stand completely at arm's length is dealing with it, it would be inappropriate for me to meet with him. So I have declined to do so.

With respect to Mr. North, of course, Mr. North was not a complainant in a case presently before the Commission. So there was no lis, as they say, between us. I sat down with Mr. North on two occasions in that period of time and tried to make clear to him what my position was and my concern about his health and his continuation of the hunger strike.

MR. R. DOERN: Mr. Chairman, I have a number of questions which will take half-an-hour or an hour, so perhaps if somebody else has questions, they may wish to ask them now. Otherwise, I would suggest we call it 10 o'clock.

HON. R. PENNER: No, I'm here till we're concluded. If you want to go on till 12:00, be my guest.

MR. R. DOERN: Mr. Chairman, I'm saying to the Minister that I would prefer to stop now and continue tomorrow afternoon.

HON. R. PENNER: I wouldn't.

MR. R. DOERN: Well, then, we could go on for a little while.

Mr. Chairman, I want to ask the Minister some questions about his actions and make some comments about his actions in regard to Dr. Morgentaler.

HON. R. PENNER: I only regret the member wasn't here when we had that discussion in committee.

MR. R. DOERN: Well, that's all right. This is the Minister's Salary, and I think I am entitled to speak on it at this point. I guess what I would like to do then is ask a series of questions, and then make some general comments to the Minister.

I want to go back to the main point which is the contention on the part of the Attorney-General that he was unable to lay certain conditions out before Dr. Morgentaler. It's my contention that the Attorney-General had the power and the option of laying out certain conditions before Dr. Morgentaler which would have prevented him from reopening his clinic, and because of a bias on the part of the Attorney-General, that he allowed Dr. Morgentaler to reopen his clinic and to continue to break the existing law, etc.

So I want to ask a couple of specific questions here which might shed some light on that, and again ask the Attorney-General if he would comment on Judge Kroft's remark that it was possible for him to set conditions of bail which would have precluded Dr. Morgentaler from reopening his clinic on a number of times after the original charges?

HON. R. PENNER: I have already answered that in the House.

MR. R. DOERN: Well, this isn't the House, this is the committee.

HON. R. PENNER: My answer in the House is the answer I would give now.

MR. R. DOERN: What is that?

HON. R. PENNER: That is that a trial judge dealt with that issue, and that was not further appealed. Reasons were given by the trial judge in saying that those conditions of bail were inappropriate in this kind of case. I don't think that Judge Kroft was aware of that fact when he suggested that might be done, so it has been done. At the moment, the question is moot.

MR. R. DOERN: I have a copy of some transcripts here, and they would appear to contradict what the Attorney-General is saying.

HON. R. PENNER: What is the date of the transcripts?

MR. R. DOERN: The first transcript is July 15, 1983, charge of conspiracy, abortion, remand and application for interim release proceedings . . .

HON. R. PENNER: Point of order.

MR. CHAIRMAN: A point of order has been raised.

HON. R. PENNER: The member, first of all, is implying that I'm a liar. The date of the transcript in which this was dealt with is June 26, 1983. If the member doesn't appear to have that, then he doesn't have the right transcript.

MR. R. DOERN: The Attorney-General can describe himself in any way that he wishes, but I have a transcript here which I think clearly shows . . .

HON. R. PENNER: You have the wrong transcript.

MR. R. DOERN: Well, do you have the right transcript?

HON. R. PENNER: Yes. Adjourn for five minutes?

MR. R. DOERN: Fine.

MR. CHAIRMAN: We adjourn for five minutes. Recess.

Recess

MR. CHAIRMAN: Committee resume.

HON. R. PENNER: I have in my hand the transcript of proceedings taken before S. Minuk, Esquire, Provincial Court Judge, in and for the Province of Manitoba. He was dealing with the clauses of the Criminal Code having to do with conditions under which bail may be granted or denied. The background to this judgment was that the day before a bail magistrate had attached conditions of the kind referred to by the member and others, and this was an application to bury those bail conditions.

Page 2. The next clause is, "any substantial likelihood that the accused will, if released from custody, commit a criminal offence." I read the judges words: "I don't know if they have committed a criminal offence right now. There are allegations that they have committed criminal offences; I don't know whether they have. They are of the view that they have not; their counsel obviously is of the view that they have not committed a criminal offence and, until the Supreme Court tells

me that they have committed a criminal offence, they stand before me innocent. There is certainly no indication they are going to interfere with the administration of justice. So, on the basis of Section 457(7) of the code, I'm satisfied that it would not be contrary to the public interest. It would not be contrary to the protection and safety of the public if these people were to be released."

I deal now with the key section under which the condition was imposed, Section 457(f) which reads: "The accused shall comply with such other reasonable conditions specified in the order as the justice considers desirable with due respect to the learned magistrate" - that's the bail magistrate. "I'm of the view that those conditions are not reasonable conditions, and I'm of the view that they ought to be deleted from the bail recognizance and I so order."

MR. R. DOERN: Was Dr. Morgentaler present on that occasion?

HON. R. PENNER: He was represented by counsel.

MR. R. DOERN: Was he present on that occasion?

HON. R. PENNER: No, he was not present on that occasion. That, of course, doesn't make any difference in terms of the legality of the proceedings.

MR. R. DOERN: Well, Mr. Chairman, I'm not a lawyer and I don't pretend to be a lawyer. It's my impression, from discussing this with lawyers, that it is necessary to appear for bail, or it's customary to appear for bail.

HON. R. PENNER: It may be customary, it's not necessary. What was before the judge, in any event, was a bail order which had already been made, and what was before him was an application to vary that bail order.

MR. R. DOERN: Mr. Chairman, the Minister has his documents, and I have mine.

HON. R. PENNER: With respect, on a point of order. They're not my documents. I have before me a transcript certified to be correct by Beverly A. Barnes, official court reporter. This is not my document; it is a document of record.

MR. R. DOERN: Right and, Mr. Chairman, I have a court document by Joan Wakefield, a duly sworn court reporter from Provincial Court of Manitoba. It's a remand, an application for interim release proceedings had and taken before His Honour Judge Newcombe which succeeded or followed that particular trial and I want to . . .

HON. R. PENNER: It did not deal with this issue.

MR. R. DOERN: I believe it did. Mr. Chairman, I want to quote a few comments between Mr. Brodsky and the court.

Mr. Brodsky, on Page 1, says: "The reason I mention, that is, because there is an outstanding warrant and Your Honour may well appreciate my undertaking was

to present him to the court today. I'm doing that, I'm making application, in case there is any issue, that he be released on the same conditions that pertain to the other accused." He's referring to Dr. Morgentaler.

And the court says: "What are those conditions?"

Miss Lemaire says, "The condition was just "Own recognizance, Your Honour."

That's on the second set of charges and the court says: "What's the amount of their own recognizance? Do you know it off the top of your head, Mr. Brodsky?"

Mr. Brodsky says: "I have the reasons."

And Miss Lemare says: "\$1,000."

The court says: "Fine, release then, \$1,000 own recognizance."

Now, my understanding is that there was no submission from the Crown and that the Crown could have, at this point in time, argued for conditions which were not done; there was no submission from the Crown. As a result of that, Dr. Morgentaler continued to reopen his clinic and, in the opinion of many people, flaunt the law as a result of that.

Mr. Chairman, I also want to refer to another court document which, again, is between the League for Life and Patricia Sonin and Henry Morgentaler, etc. The affidavit of Saul B. Simons dated March 21, 1985, which says on Page 2: "That on the 27th day of June, 1983, I appeared before His Honour Judge Minuk in Provincial Judges Court and applied for a judicial interim release of five of Dr. Morgentaler's co-accused." And then a couple of paragraphs down says: "That, after argument, His Honour Judge Minuk refused to impose such a condition and specifically considered the public interest test of the Criminal Code, including whether there is any substantial likelihood that the accused will, if released from custody, commit a criminal offence."

Now, it's my understanding that the original co-defendants who were on trial with Dr. Morgentaler, including one doctor, or more, they were given certain conditions of bail and they never did break those conditions of bail, they respected them, but that Dr. Morgentaler, first of all, did not have any conditions attached by the Crown, other than his own recognizance, and that he did, on a number of occasions thereafter, break those conditions; and that at any time that he appeared before the court the Crown could have attached conditions that he not reopen his clinic, and they did not. And that, in the judgment of many people, including myself, the Attorney-General failed to act and clearly demonstrated a bias in not stopping Dr. Morgentaler from re-opening his clinic and breaking the existing law. Now I'm asking the Attorney-General whether he is saying, because my information is contrary to his and the documents that I have, according to lawyers that I know, they tell me that the only condition laid on Dr. Morgentaler was his own recognizance and \$1,000 bond, and that at any time, then or since, the Attorney-General could have prevented him from reopening his clinic and he failed to do so.

HON. R. PENNER: In our system of law, judges are the ones who apply bail and bail conditions, not Attorneys-General, No. 1. No. 2, conditions of bail that were granted for Dr. Morgentaler were clearly on the record, read by the member, those that followed the conditions of bail which were, in fact, granted to Dr.

Robert Scott, Barbara Joan Burr, Ethel Lynn Crocker, Lynn-Anne Helliard and Susanne Neuman; that indeed where the proceedings had before Judge Minuk when he removed the condition of bail having to do with not reopening the clinic and granted bail on a \$1,000 recognizance; and that when Judge Newcombe dealt with the issue about a month later and was apprised of what had happened before Judge Minuk, he said, well, I am doing the same thing. So the issue was canvassed by two judges, so the member is wrong in his interpretation.

I am not saying that he's got the wrong documents; he doesn't have a complete set of documents or a complete understanding of the matters that were taken before two Provincial Judges in succession. You have to read all of the documents. You must not be selective and just pick out one document. That way you're apt to fall into error, and I hate to see even the Member for Elmwood fall into error so frequently and so badly.

MR. R. DOERN: Well, Mr. Chairman, I will give the Attorney-General these two documents . . .

HON. R. PENNER: I have them.

MR. R. DOERN: . . . if he doesn't have them and perhaps he could give me a copy of his document later. But it is clearly my impression, and clearly the opinion of lawyers that I have spoken to, that Dr. Morgentaler did not appear on the occasion from which you are reading, and that when he did appear . . .

HON. R. PENNER: I just said he didn't. I never read you the names. I never said that he did appear.

MR. R. DOERN: Well, that was my original point, that he was not present.

HON. R. PENNER: He was present before Judge Newcombe - you just told me that.

MR. R. DOERN: That's right.

HON. R. PENNER: And Judge Newcombe says, I am doing the same that Judge Minuk did.

MR. R. DOERN: That's my point.

HON. R. PENNER: And that's my point.

MR. R. DOERN: My point is the same point, that he was not present in the first instance. He was present before Judge Newcombe, and you have referred many times to the fact that he was present before Judge Minuk and he wasn't.

HON. R. PENNER: I never referred to that once. I never made that statement once. The member . . .

MR. R. DOERN: I believe you made that statement many times in the House.

HON. R. PENNER: Well . . .

MR. R. DOERN: I believe that a look at Hansard will show that you did say that many times.

HON. R. PENNER: Well, I would invite the member to look at Hansard and he'll find that once more he's fallen into error. The member spent a great deal of time protesting that he is not a lawyer and he spent a great deal of time proving it, and we can move on.

MR. R. DOERN: Mr. Chairman, we'll look at the record because my recollection is that the Attorney-General made repeated comments to the fact that Dr. Morgentaler appeared before Judge Minuk and he never did. But we will check that out in the next day or so.

My point is this, that there were not conditions imposed by the Crown to prevent Dr. Morgentaler from reopening his clinic, and that when he finally did appear

HON. R. PENNER: The Crown cannot oppose bail conditions.

MR. R. DOERN: When he finally did appear, all that he was asked to do in effect was to, on his own recognizance, put up a bond of \$1,000.00. At that point in that first instance, the Crown could have asked - the Attorney-General could have asked the court to make it a condition of his bail that he not reopen the clinic.

Now I'm saying that, when we look at this whole case, if you look at this case over the last few months, you see the following state of affairs. You see the Winnipeg Police repeatedly upholding the law. You see the Winnipeg Police on a number of occasions going into the clinic and taking evidence. You see the College of Physicians saying to this doctor that he is not qualified to practise medicine in this province, and that he is breaking the law. — (Interjection) — Of course, the Member for Wolseley says that's garbage, but of course she is going to reveal her bias in this particular case — (Interjection) — well now we're going to hear the Member for Ellice defend Dr. Morgentaler, and that's fine and they're entitled to do so.

But I say, when it comes to upholding the present law that is the duty of the Attorney-General. Aside from his own personal convictions, which I think are either the same as Dr. Morgentaler's or similar to Dr. Morgentaler's, I think in that particular instance the Attorney-General is allowing his personal bias to colour his judgment and to colour his actions; and that his responsibility is to uphold the law; and that his responsibility is to lay a condition of bail against Dr. Morgentaler or anybody else in any other area of the law to preclude them from making a mockery of the law and to preclude them from breaking the law again and again and again, because I think that sends out a very bad message to society; that somebody can, apparently with impunity, break a law, and the Crown sits idly by.

I know, Mr. Chairman, that there are people who are pro choice, who want this case never to come before the courts in Manitoba. I know there are people who say, and the Attorney-General has said, well we'll have to wait for Ontario. Now we have waited two years for Ontario. This case is now before the courts in Ontario. After the case is decided we're going to have probably an appeal to the Supreme Court of Canada and that may take another two years.

That means, for all intents and purposes, the justice system in Manitoba is simply spinning wheels, simply waiting for something to happen. That is a charitable account of what is happening. But the people who are pro choice, they of course want this state of affairs. They don't want a prosecution to take place in the Province of Manitoba.

Then I guess the pro life position is to put Dr. Morgentaler in jail and to haul him in court. So there is another position.

But I think there is a third position here, and I think that position maybe has greater numbers of adherents than either of the other two, and that is people who want the law enforced, people who respect the law, who think that the law whatever it is, should be enforced. If at some point in time, a decision is made to change the law, well then that too may occur. In fact, that may be an evolution now, maybe, but it isn't the case.

It is not the case. It is the case that Dr. Morgentaler is breaking the law. It is the case that Dr. Morgentaler seems to consider himself above the law. It is the case that the Attorney-General is clearly giving the impression to people that he sides with Dr. Morgentaler, that he will not take any action to delay or frustrate Dr. Morgentaler in his actions.

And I say, Mr. Chairman, that in my opinion as an observer, as a person who is neither in the pro life camp or in the pro choice camp, I say that the Attorney-General is not doing his job. I say that the Attorney-General could have from the very beginning, two years ago, blocked Dr. Morgentaler from opening his clinic. The reason that he apparently hasn't is not a failure of will, but it is because of his own bias and as a result, he is allowing his own biases to interfere with the proper carrying out of his responsibilities as Attorney-General.

MR. CHAIRMAN: The Member for Ellice.

MR. B. CORRIN: I just have a very brief submission to make to the Honourable Member for Elmwood. I want him to know that the Attorney-General, in my opinion and in the submission of most people who practise law in this province, has been pressed and put in a very hard position associated with a great deal of tribulation. There is no question about the fact that the Attorney-General has retained a completely impartial and unbiased approach which befits a professional person of his standing.

The easy route would have been, of course, to associate himself with the sort of trivial politics that the Member for Elmwood practises. He hasn't done that, to his credit.

With respect to the points the honourable member makes about bail and conditions and all these other things, of course the Member for Elmwood may like to take into consideration the fact that it probably wouldn't be appropriate for a court of law to presume that the activities taking place in the clinic were illegal until the matter was proven in a court of competent jurisdiction somewhere. That certainly hasn't happened in Manitoba and to the best of my knowledge hasn't happened in any other jurisdiction either.

The Member for Elmwood should remember that there have been several acquittals recorded with respect to the activities of this individual accused who is, I

might also add because it is a matter of personal record of my opinion, a martyr to a great cause in terms of his belief in something, something that the Member for Elmwood will never understand.

MR. R. DOERN: Tell that to the people who are pro life. Tell that to them. Tell them that they don't believe in anything, and that only the pro choice people believe in something. Tell them that to their face.

MR. CHAIRMAN: Would the member please address the Chair?

The Member for Wolseley.

MS. M. PHILLIPS: Yes, Mr. Chairman. I just want to add that the suggestion the Member for Elmwood was making that Dr. Morgentaler is breaking the law even though he has not yet been proved guilty in the Province of Manitoba and has been acquitted four times in other parts of Canada, I think falls very well into his argument this afternoon that people who are accused of murder or rape, etc., etc., should not even get a legal aid lawyer.

MR. R. DOERN: That's a lot of rubbish. Why don't you grow up?

MS. M. PHILLIPS: I think it follows the same kind of mentality that the minute the person is charged with something . . .

MR. R. DOERN: You're retarded.

MS. M. PHILLIPS: . . . that in his brilliant mind they are automatically guilty and should be treated as such.

I think in terms of his complaint about having to wait a couple of years here or there, most reasonable people in the province understand that women have waited centuries to have this issue resolved in terms of control over our own bodies. I don't think another couple of years are going to make much difference, and that we're quite prepared to wait until this issue is resolved once and for all.

MR. R. DOERN: Mr. Chairman, I must, first of all, ignore what the Member for Wolseley says, because it's just total fabrications and rantings.

But I have to say to the Member for Ellice, that I believe him when he tells me that there are people who believe in the pro-choice position. I don't find that hard to believe. You know, if he wants to tell me that the Attorney-General and the Member for Wolseley and he sincerely believe in that position, I don't find that hard to believe.

But I have to tell him that if he thinks that the only true believers in their position are on the pro-choice side, then he has never spoken to people who are pro-lifers. And I don't know if he's ever had that occasion or not, but I have listened to both sides and I have heard what I consider to be very persuasive arguments on both sides of the equation and I don't regard the people who are pro-life as insincere. Many of them are very religious people who hold very deep convictions and theological positions about life and the nature of life, and the last thing you can say about them is that they are insincere. I'm telling you that there is, aside

from the merits of each position, which I think are very hard to determine, I say that there is a position which maybe embraces all of these positions, and that is the fact that the law appears to be openly flouted on a regular basis by Dr. Morgentaler. He appears to be above the law. He appears to be willing to reopen his clinic every time it's closed. He appears to call the police all kinds of names, the physicians and surgeons all kinds of names. — (Interjection) — Yes, yes, he's even called the Attorney-General names.

All I can say is that there are I think a majority of people in my judgment who think that he is breaking the law. And that if he is breaking the law, then it is up to the authorities in this province who are charged with maintaining law and order to stop him. I am saying to the Attorney-General that in two years he appears to have failed to prevent Dr. Morgentaler from reopening his clinic and he appears to be willing to wait another two years, assuming he has that much time, maybe another month or another year whatever the case may be, that during his term in office as Attorney-General he will not lift a finger to stop Dr. Morgentaler from reopening his clinic. Now I say to him that is the clear message and impression that is about in this province, and I'm saying to that extent the Attorney-General has allowed his well-known position on this issue to interfere with his responsibilities as Attorney-General.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: Mr. Chairman, I have a couple of questions for the Attorney-General. I apologize for not raising them earlier and if the Minister can't answer now, I'll understand that, but it has to do with the giving peace officers status to employees of security agencies. Does the Minister happen to know what the policy is in that respect?

HON. R. PENNER: When an application is made, it's handled by our Director of the Law Enforcement Services, Charlie Hill. I believe a routine check is made through the Data Services as to whether or not there are any criminal records outstanding against those making application. The bona fides of the firm applying, if it's corporate, are checked through the normal search in the corporate office and if the Director of Law Enforcement isn't satisfied on the basis of these checks and satisfied that the security service is required, then under his authority a person may be designated as a peace officer.

MR. B. RANSOM: I have before me two or three letters, as a matter of fact, relating to Taskko Agencies Ltd.

HON. R. PENNER: Pasco, Tasco?

MR. B. RANSOM: "T", you may be familiar with. In one circumstance, with respect to this company, a woman was given special constable status, but only as it related to one specific job. I'm wondering why, if a person could receive special constable status for one specific job, they would not be given that status for any job that they were on as an employee of that particular agency.

HON. R. PENNER: I don't know. I'll have to inquire, and I'll get the information for the member.

MR. CHAIRMAN: 1.(a) - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, you'll be pleased to know I'm not going to prolong the agony here. I simply wish to say for the record, I have in past years moved a reduction in the Attorney-General's Salary. I don't intend to do that this evening in view of the fact that we're obviously now in the last term of the government. On election, I will leave the judgment as to the Attorney-General's Salary to the electorate, Mr. Chairman.

He brought his two-year-old here in the beginning to help him get his Estimates through, Mr. Chairman, and I certainly don't want to deprive that young child of any necessities of life.

MR. CHAIRMAN: 1.(a)—pass.

Resolution 16: Resolved that there be granted to Her Majesty a sum not exceeding \$2,271,200 for Attorney-General, Administration and Finance, for the fiscal year ending the 31st day of March, 1986—pass.

What is the pleasure of the committee?

HON. R. PENNER: Committee rise.

MR. CHAIRMAN: Committee rise.

SUPPLY - HEALTH

MR. CHAIRMAN, P. EYLER: Committee, come to order. We are considering the Estimates of the Department of Health, Item 7, Manitoba Health Services Commission, Hospital and Personal Care Home Programs - the Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Chairman. I have a few questions of the Minister and a few comments to make. It's dealing particularly with the personal care facilities, and I have a question to the Minister.

People of the Hartney community have been for some time now requesting a conversion of their current facility to personal care. There have been numerous meetings held with the department and with the member of the area, myself, and there is a true desire there by the hospital board to change their hospital facility or to expand it to a personal care unit. I do not see it in the five-year program of the Minister. Can the Minister comment as to whether or not he has any intentions of doing anything with Hartney, or whether or not it will be ignored in any future plans?

MR. CHAIRMAN: Mr. Minister.

HON. L. DESJARDINS: Mr. Chairman, it's all a question of priority and timing. Right now the population doesn't warrant, as per our guideline, a personal care home at this stage. It probably will in a few years, start functional planning. The beds now have been incorporated with Souris at this time.

The Commission have been meeting with them, and I would think that should come fairly soon. We're trying to advance in all the regions, and trying to equalize as much as possible. Right now it's not as much of a priority as some that are announced because of the number of beds per the population and counting the region. I'm not talking about Hartney itself just alone. I'm talking about the region.

MR. J. DOWNEY: Mr. Chairman, on behalf of the people of Hartney, I want to say I think the numbers would be there and the priority would be there if local residents were given the opportunity to live in their home community.

He makes the comment about Souris. Some of the people have moved from the Hartney facility, or that would have been accommodated in the Hartney facility, to both Souris and Deloraine. It's unfortunate because that further takes away from the statistical information, the statistical data that would provide the kind of background support for Hartney.

I think the people in that community have put forward a case. I know that the prior Minister of Health had committed to that kind of facility. I was of the impression that Health Services Commission had, in their five-year program, a commitment to Hartney. I would again like to put the plea forward for that community.

The Minister can comment later if he likes, but I do have some other comments I want to make dealing with particularly nursing homes and health care in western Manitoba.

As I understand it, the information that I have had provided to me, and it's been provided to this committee, that there is currently in the Westman region a waiting list of some 243 people in rural Manitoba, in the western region of Manitoba, for personal care.

Today I had provided to me, which I am prepared to table, a document which comes from the Department of Health, as I understand it, where we see insured nursing home beds in Brandon - my colleague from Pembina has done an excellent job in pointing out some of the concerns that he has - but we are now looking at a projection by the Department of Health to 1987, when we see again a further reduction in the number of insured nursing home beds in Brandon from 1985 of 586 to 552 in 1987, which is a reduction from 626 in 1981.

Mr. Chairman, when we have a government that went to the people in 1981, saying that they were going to have a better health service, that they were going to look after the people of Manitoba better, that they were going to provide the kind of services that we all like to see our elderly people have, and then when we see this kind of a document come from the Department of Health, which projects for 1987, 552 insured nursing home beds in Brandon as opposed to 626 in 1981, when we left office, one has to really point out to the public that they're not very sincere in providing the kind of services that we all would expect; in fact, what was committed in the 1981 election.

In fact, Mr. Chairman, I get extremely upset when we haven't seen the Premier of the Province of Manitoba listening or participating in the Health Estimates, but out campaigning for the next election in Brandon, shaking hands with these poor elderly people. What he should have been telling them was this is your last handshake because tomorrow you are going to have to move out into the streets.

Yes, Mr. Chairman, that's what he should have been telling them because what he is doing is reducing the services and the accommodations for the elderly people in Brandon by some not quite 100 people, not quite 100 beds. Then we have to ask the question: how sincere are they in their commitment to health care in the Province of Manitoba? I would suggest that it appears to me that it's totally political posturing.

The Minister earlier today made a comment that the people who are going to leave the beds in Brandon would be able to find accommodation in their own home communities outside the city. I don't know of any personal care unit outside the City of Brandon in the Westman region, Mr. Chairman, that has any ability to handle any people.

Again it was pointed out there were 243 people on the waiting list. Where is he going to put these people when he reduces the beds to 552 in 1987? We have an aging population; we have more people that are going to need the accommodation of personal care, Mr. Chairman. We have an aging population, more people needing the facilities, and this NDP Government reducing the numbers of beds available to them.

The Minister hasn't convinced me. Anything that I have read from his Estimates, anything that he has said has totally been opposite to really what is happening. He is trying to leave us with the impression that everything is okay and that all the older people are going to be accommodated. — (Interjection) — Well, the numbers show.

The Member for Point Douglas, or wherever it is, says, no, no, that's not the case. Well, the case is, and I'm prepared to table the document coming from the Department of Health, that in the Brandon area alone in 1981 insured nursing home beds - there were 626, I don't have to list them all - but the projection for 1987 will be reduced to 552. Now the current waiting list for personal care homes in the Westman region is 243.

I don't see in his program, and maybe he could tell me in his program for building, where they're going to build enough accommodation to look after the 243 on the waiting list with the reduction in the City of Brandon. Where are these people going to be accommodated?

As I said earlier, Mr. Chairman, the First Minister of this province who was campaigning in Brandon last week should have been giving the golden handshake, and maybe it was, to the residents of the personal care homes in Brandon, rather than saying that he was all in favour of looking after them because he's really not.

If I were a senior citizen resident of the homes that the First Minister visited last week as well as the Minister of Technology or whatever it is, McKenzie Seeds, former Minister responsible for McKenzie Seeds, Len Evans or the Member for Brandon East - I apologize, Mr. Chairman, the Member for Brandon East - were campaigning, trying to lead people to believe that everything was in good order, that they were in good hands.

The truth of the matter is, Mr. Chairman, that this Minister of Health and the First Minister will be moving those people out of those beds, and where will they be moving them? They have no alternative accommodation. It will be either back to their homes or out into the streets, Mr. Chairman.

That's the commitment of the New Democratic Party to the people of the Westman region. There are no alternative facilities for them. They're reducing the beds from 626 in 1981 to 552 in Brandon with a waiting list of 243 in rural Manitoba in the same region; the numbers don't add up, Mr. Chairman. The Minister hasn't satisfied me or hasn't satisfied any of the people of the Brandon region or the Westman region, who is going to look after them?

This great socialist government who campaigned on looking after the needs of people have truly failed. They have misled the people of the province. Yes, Mr. Chairman. How else do you deal with the numbers that are before us? I will table this document, and I would like a copy of it back as well, please.

This is a department document which has been provided to me, pointing at 1987. The reduction of insured nursing home beds will be to 552. I ask the Minister of Health to deny that that's not true. If it's not true, let him say so. I am concerned - I'm not only concerned about the workers - I am concerned about those patients in those beds. What are they going to do, Mr. Chairman?

Well there is a lot of baffleleg coming from the backbench, but there has been no one stand up and really defend the needy in our society. The elderly people are going to be put out in the streets. If they're not, Mr. Chairman, I challenge the Minister of Health but more so I challenge the First Minister who takes great pride in having his picture taken shaking hands with the elderly people, I challenge him to come into the Health debate and tell us if that's not so. Where is he then? Or does he leave it up to the Minister of Health who pretends that he's the Premier of the province?

I am concerned, Mr. Chairman, that in 1987 - and I have provided the document for the Minister of Health - we're going to be down to 550-some personal care beds in Brandon, from 600-and-some. You know, what happens in the Westman Region? The medical people do a pretty good job of making accommodation available; that people, whether it be from Killarney, or Melita, or Reston, or Deloraine, or Oak Lake, Boissevain, if there's a bed in the Brandon region and they need it they can make accommodation to get them in. Very seldom does it ever happen in reverse because there aren't any extra beds in those regions that I mentioned, in fact, Deloraine have got a request to expand their facility, need expanded facilities. Hartney have desperately wanted a personal care facility in their community which I fully support. No action on behalf of the government. Sourls, accommodation is full with a waiting list.

Mr. Chairman, this government have failed the people of Manitoba, they failed the people of Manitoba in one of their more, I would say, political-inspired areas of commitment. They led the people of Manitoba to believe in 1981 that if you elected an NDP Government that you wouldn't have to worry about your costs of health care, that you wouldn't have to worry about your old age security and your facilities or your services when you became old.

Mr. Chairman, it has turned out to be exactly the opposite, that we have a Minister of Health, and we have a Premier of the province, who are not living up their commitment of 1981. The numbers that I have just provided prove, particularly in the Westman Region, that their plans are to reduce the numbers of personal care beds in the Brandon Region to a point which will not allow everyone who needs the services to have the services. They have not kept up to the demand in the smaller communities to provide accommodation for those people who are in their latter years, and it wouldn't be quite so bad, Mr. Chairman, if our society were becoming younger, but our society is aging. There are more people requiring the kind of facilities and the kind of long-term care that we're talking about.

But what does this First Minister do? He doesn't come to debate and defend it in the Estimates of the Minister of Health, he goes and plays politics with the older people in the Fairview Home and leaves them to believe that everything is fine and they will be secure.

Well, if I read, Mr. Chairman, some of the comments that I have heard my colleague from Pembina make; if I look at some of the numbers, as an older person who has been presented to this Assembly and to this committee, I would be quite concerned whether I would have a bed and a roof to look after me in my older years. It's not there, Mr. Chairman, and I'd ask the Minister of Health to point out how he's going to justify cutting back the personal care homes in Brandon to 552, I believe it was, from the 600-and-some that were there in 1981. How can he justify it and, at the same time sees a waiting list of 243 in rural communities, there just isn't enough accommodation for the people who need it. Now, if he can justify the decisions that his department have made, if he can justify why the Premier is going out and misleading the constituents of the Brandon area for political purposes, then I'll sit down and let him stand up and do so, but I don't think he can do it.

MR. CHAIRMAN: The Member for Pembina.

MR. J. DOWNEY: No, he's not going to respond.

A MEMBER: I guess not.

MR. J. DOWNEY: You can't defend yourself.

MR. D. ORCHARD: Mr. Chairman, the personal care home line is an interesting line in terms of dealing with the per diem. My colleague has laid out where the First Minister has been hung up on a hook on some of the election promises he made.

Now, Mr. Chairman, there's another hook the First Minister is hung up on in terms of what the Minister of Health has done to him over the last couple of years. It was either the Throne Speech or the Budget Speech Debate in 1981 prior to the election, the then Leader of the Opposition, - the now Premier as leader of the New Democratic Party - indicated that if he were government, that they would not increase the per diems beyond the inflation rate in the Province of Manitoba, because they believed the schedule that Bud Sherman, the then Minister of Health from Fort Garry, that the schedule he was putting out for us was wrong.

They argued with it extensively and they indicated that the then Leader of the Opposition, the leader of the New Democratic Party, said then that they would never allow personal care home per diems to go beyond the inflation rate. Well, Mr. Chairman — (Interjection) — your leader said that back in 1981, he wouldn't let per diems rise above inflation rate, because he was very worried about the schedule that the then Minister of Health and our government put out.

Well, Mr. Chairman, when this government was elected, the per diem rate was \$10.75. As of May 1st, well the Minister of Health brought out a schedule and he took so much flack from his own colleagues that he changed it around a little bit, but he's back to normal now. But in 1981, when this government took over it

was \$10.75 per day per resident. It's now \$15.25 as of May 1st, an increase of \$4.50, a 42 percent increase.

A MEMBER: Shame. It's terrible.

MR. D. ORCHARD: Now in the period of time that this has happened, the inflation rate, consumer price index has increased by some 19 percent. So once again, when this First Minister goes out on the campaign trail, and this next time he goes he might not have the solid guidance of the Minister of Health next time, but he told the people to expect per diem's no higher than the inflation rate, and he doubled them in his first term. So you know, the point that we've been trying to make fairly consistently with this Minister and his colleagues is that the First Minister has a declining credibility out there for what he says and what he does. And that's but one more example.

Now, Mr. Chairman, I'd like to deal with one topic that's going to take a little bit of time tonight. Back in December of 1984, the Minister of Health announced that he was going to take over the pharmacy business in supplying pharmaceuticals to personal care homes.

A MEMBER: A big socialistic move.

MR. D. ORCHARD: And in doing that he was going to essentially eliminate six businesses in the City of Winnipeg, and the employment in those businesses.

Mr. Chairman, I posed a question to the Minister a while back about whether they were going ahead, because there was quite a bit of furor over the Minister's decision on December 7th, and the Minister backed off for his implementation date by three months, he moved from April 1st to July 1st and set up a study committee where there were 10 people on this study committee from various disciplines within the field from personal care homes, to the suppliers, to the pharmaceutical association, to one from Deer Lodge and two from the Health Services Commission. Now that group was to study the proposal and to see whether it was, indeed, going to save the kind of money that the Minister had first envisioned.

Now I posed a question to the Minister a while back in question period about whether they were going ahead with the program because a fairly sizable computer was put into Deer Lodge. The Minister gave me the assurance then that, no, that computer was going to be there anyway and that it had nothing to do with going ahead with the program. Now this afternoon when we were going through the Estimates, and we went through the year-over-year Estimate for personal care home line, we find that the Minister is budgeting some .5 million of saving coming from the takeover of the drug business. The Minister indicated tonight that the decision hadn't been made.

Can I ask the Minister if he will - he set up this 10 person committee to study the situation, the supply of pharmaceuticals to the personal care homes. They have reported to him, I believe last week, or maybe it was the week before, I'm not sure. Can the Minister indicate whether he will follow the majority recommendation of that group?

HON. L. DESJARDINS: Mr. Chairman, I can see it's going to be one of these evenings but that's fair enough.

I think that it's an accepted tradition that, somewhat like the Throne Speech, the people want to be able to show in the Hansard to their constituency that they fought for beds, and that's fair enough. The situation . . .

MR. D. ORCHARD: No, they want to know what the hell you're doing.

HON. L. DESJARDINS: But my honourable friend doesn't have to repeat the same question four, five, six times, we'll try to answer. He wasn't here during the debate, I think he'd understand certain things.

First of all, he produced a document that he said he got from the Department of Health and that was supposed to be a policy of government. Where did he get that idea? I can say that, I've never seen that document before. I am told that, yes, it was a working document, and the information that I am getting from that period in '83 to '87, there will be a net reduction of 50 beds.

I think we made it clear this afternoon; we said that nobody that is in one of these homes now will be put out of a home, will have to go on the street like was said by my honourable friend. I said that we guaranteed that they would all have a bed in a personal care home if he wants to understand . . .

A MEMBER: Your own home?

HON. L. DESJARDINS: Well, my honourable friend could read Hansard because he . . .

A MEMBER: Are you going to put them in your own home? You got no place in the public domain.

HON. L. DESJARDINS: If my honourable friend wants to know he could read Hansard of this afternoon. I don't intend to start all over again. Let me tell my honourable friend; he talks about socialists, he is supposed to be the biggest free enterpriser, and I have never seen more of a socialist - maybe there are one or two on this side.

A MEMBER: That's a personal attack, he can't defend himself from.

HON. L. DESJARDINS: Personal attack! What the hell have you been doing? Mr. Chairman, my honourable friend, if we could compile a list of the things that he wants, you know, the free enterprise, the battle of the fittest, and so on. He wants grants for everything; he wants to forget the loans; he wants to reduce the percentage. And, all of a sudden, you know . . .

A MEMBER: We owe the protection of health care.

HON. L. DESJARDINS: Eh?

A MEMBER: We are talking about health.

HON. L. DESJARDINS: That's right. We talked about health. My honourable friend has a situation in the Westman region that now compares - they have a per 1,000 population at the end, a year ago was 12.5 per

1,000 population. The next one is 8.2 in the central region.

I can tell him that the situation is that the rest of Manitoba would love to be in that poor position that Brandon is in. I also said that we will review the guidelines.

I kept quiet when you repeated your question. You asked for an answer. I'll give you the answer — (Interjection) — oh, you don't want the answer. I'll understand. I'll sit down, and you can pass your Hansard around. Do you want the answer? Well then keep quiet, and let me answer it.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. L. DESJARDINS: My asking you to let me give an answer, that's an insult. You're hurt, touchy today.

Now these things have to be planned. Now I'll tell my honourable friends, because they keep referring to that document. That document must have really cut real deep, because they'll never forget that document. Why don't you think of the next election? That election is finished. You lost the damn election. Think of the next one.

I know, you're trying to discredit this department as much as you can. You're trying to discredit this department, and you've been on every side of every issue. You're telling me that I should be careful. In some moments, the official critic of the party knows exactly what's going on. He knows that you have to watch what is going on, and that we cannot keep on with the costs that we have now — (Interjection) — well I'm just setting you up for a fall.

Mr. Chairman, then they turn around, and they see that the people of Brandon have been agitating which is their right, and they're going to capitalize on that. Now let me tell my honourable friends, they wanted some answers and, what we're doing, we're letting them down. Let me tell you, and we'll compare apples with apples and oranges with oranges. I'll give you the beds in personal care homes in the capital program, new and replacement beds. I'll give you, first of all, when they were first approved.

Now July 1973 to November 1977, there were 1,480 beds approved. Now November of 1977 to October 1981, in the four years that you were there - and I didn't intend to bring this thing up, but you want to play your game and fair's fair — (Interjection) — no, well I was ready. You know I'm not like that. You know that. There were 156 beds that you approved in those four years. We approved 1,480 — (Interjection) — you did what?

The first thing you did, you froze everything. If there wasn't a — (Interjection) — yeah, but he wasn't here, and he can't read — (Interjection) — oh well then, I'll sit down, because he's got all the answers. Would you want me to sit down? All right, fine.

My honourable friend then will give you the answers. He agrees that we covered all your answers. You did your job. You've got it in Hansard. You can go to Hartney and to Brandon and that area and say, here, this is what. But in the meantime, maybe you should bring this with you and show them what you did when you had a chance.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, the Minister of Health may think I want it on Hansard. I don't care whether it's on Hansard or not. I'm not really concerned about reading my name in the record. What I'm concerned about is the health care and the commitment that was made prior to their election to the community of Hartney, the commitment that I have made. I want the elderly people in the Westman region to be assured that they've got accommodation, a commitment that he and his First Minister made in the 1981 election.

I'm not fighting that battle but what I'm looking at, Mr. Chairman, is what is going to be happening in 1987. Mr. Chairman, he says there is going to be a reduction of 50 beds. I calculate it to be a reduction of 74 beds, Mr. Chairman. From 1981 to 1987, there is a difference of 74 beds. Again, he's not telling the truth to the committee. The difference between 626 and 552 is not 50 beds. It's 74 beds.

He talks about, Mr. Chairman, our record of reducing. He says, 1973-77, there were over 1,000 beds introduced into the province. Yes, they were needed, Mr. Chairman. He talks about us cutting back to 100-and-some beds from 1977-81. It was in addition.

What are they doing? Their record is going the other way, Mr. Chairman, and he tries to make a big thing about it. His defence is, I want it on the record so that people can read it in Hansard. I want the accommodation for the elderly people of the Westman region, Mr. Chairman. I don't want them saying one thing and doing another. I want them to tell the truth, Mr. Chairman. I want them to tell the people of the Westman region. I want the First Minister when he tours the Brandon area to come clean with the people of that region.

He makes a lot about touring them and about touring that community, holding hands and saying, we're going to look after you. The true fact is, Mr. Chairman, he's cutting down the accommodation for the elderly people in the Brandon and Westman region, not increasing it, not maintaining it, but reducing it. I haven't heard him speak at this Legislative Assembly defending his health care program, because he can't defend the numbers, Mr. Chairman. He can't defend the reduction of 74 beds from 1981 to 1987, which is projected by his own department.

Has he let his Minister of Health totally control this government? Does he totally let his Minister of Health control this government? Can he go to the Brandon region again next week and say, as the Premier of this province, I'm pleased that we're cutting your numbers of beds for personal care insured nursing home beds from 626 in 1981 to 552? Is that big news? Why haven't we heard it from the Premier of the Province of Manitoba or from the Member for Brandon East? Because the Minister of Health said, I'll give you a bunch of numbers and you can play with the numbers because you can't count anyway.

Yes, he says the First Minister can't count and can't subtract. It doesn't matter. He goes out and holds hands and shakes hands, and lets people think that everything is okay. Let me tell you, Mr. Chairman, that the numbers that we have available, the numbers the people in the Westman region have available to them, he couldn't get elected dog catcher in the Westman region at this particular point. In fact, I guess the reason that he was so agitated when he got back from his Brandon tour

was that he couldn't find anybody to run for his party in Brandon West because of their dismal record. That's why he was so agitated. That's because he couldn't get anyone to run for the New Democratic Party, because of their poor health record, because of their record with McKenzie Seeds and all the fiasco that was going on there, Mr. Chairman, because of their inaction and all the industries that have gone broke in the Westman region, because of their environmental restrictions and regulations that have put businesses or crippled businesses in the Westman region, and because of the reduction in health care beds, the nursing home beds in Brandon, that without supplementing or complementing them in the rural communities.

I would be all for it, Mr. Chairman. I put on the record, if the Minister wants me to talk about what's been put on the record, I would firmly put on the record that if he were putting a replacement number of beds, nursing home beds, in the smaller communities in the Westman region, Mr. Chairman, if he would take the replacement beds and put them in the rural communities around the Brandon area, then I wouldn't be standing here criticizing him, Mr. Chairman; I'd be complimenting him for a decentralization program. But, no, Mr. Chairman, he's reducing the numbers of beds in the Brandon region for the nursing homes, for the nursing home people and reducing it and not doing anything about it in the smaller communities around Brandon. What kind of a record is this Premier going to go to the people with in health care in the Westman Region? What kind of a record? - a reduction in nursing home beds for the Westman Region. No wonder he couldn't find anyone to carry the NDP banner in Brandon West, and it's questionable what will happen to the one in Brandon East.

We've seen the Minister stand here and say there's a net reduction of 50 beds. He hasn't refuted the argument that I said it was 74 beds. He said it's 50 beds, I say it's 74. Tell me that it isn't 74 bed reduction from 1981 to 1987 projected, tell me that it isn't and justify it because the numbers that we have made available to us say that it is 74 beds. He hasn't said that he's replacing those beds that have disappeared in the Brandon area. He isn't replacing them in the rural part of the province, in any of the communities. I can't figure the numbers out that show that there is going to be 243 beds made available to the rural people who are outside of Brandon, plus the 74 that he's removing out of Brandon - the numbers don't add up. People aren't being fooled by the baffle-gab they hear from him and from the First Minister. The First Minister hasn't spoken on Health Estimates. You know, for a Premier who is supposed to be so strong on health care and personal needs of people, he's a disaster. He's a disaster because he doesn't know what's going on.

Why doesn't he stand and defend himself? Because he can't. He can't stand in his place in this Legislative Assembly, in this committee and defend his government. He can't stand and defend his government. The Minister of Labour cannot stand and defend the workers that are being thrown out of work, that are being thrown out of work by his Minister of Health. He can't stand and defend the workers in the health care units that are being laid off. It's fine for him to impose the legislation on the private sector, but he won't impose it.

Well, the Minister of Labour says that I'm a disaster. I'll go on any platform with him or his Minister of Health or his Premier and debate him on this very issue. I'll debate him on it. — (Interjection) — you bet, any time. Right in Brandon. In fact, we'll be able to find an abandoned nursing care home because there'll be so many of them. They'll all be lobbying to get some business to have a town hall meeting.

So, Mr. Chairman, I ask the Minister of Health - I don't care whether this is on the record or not. You can shut the Hansard off if you want. I'm as sincere and serious about wanting to get accommodation for the elderly people in the Westman Region as I'm concerned about the rest of the Province of Manitoba.

Yes, Mr. Chairman. — (Interjection) — more beds. So that brings me back to that. He says, "don't start with the one that has more beds." So the way you correct the problem, Mr. Chairman, is you reduce the area that has more beds so it makes it equal with the people who are less fortunate in the other region under the New Democratic Party. That's their philosophy. That's equality. You make those people, everybody has to suffer under the New Democratic Government. Rather than trying to raise the standards and raise the level of care in the rest of the region and maintain in its level, he wants to reduce the level that's out there on a percentage basis. What kind of New Democratic arithmetic is that? Everybody has to be in misery. The Vic Schroeder arithmetic, I guess that's what you call it.

Mr. Chairman, the Minister of Health may make light of it. I'm not making light of it. I've got some numbers that concern me very very much. The First Minister of this province has never been able to stand in his place and defend his health policy of reduction, of nursing home care beds in Brandon, or in the Westman region. He's never stood in his place and defended his government's position. What he does is, goes to Brandon, goes to the Westman Region and leads people to believe that he's the great saviour in the health care field. Well he is the great destructive person. He is the great destroyer because the numbers — (Interjection) — I'm not hurting the Minister of Health. He's able to stand here and bafflelegab, but he's not fooling the people, because it's the people who bring these concerns to us, it's the people of the Westman Region who bring these concerns to us, yes, we defend the people — (Interjection) — Well, the reason I have such a cold is that the medical system is completely destroyed and it's hard to get any medicine.

Mr. Chairman, I challenge the Minister of Health to stand in his place - I challenge the Premier to stand in his place and defend his government's policy in reduction of nursing home beds in the Brandon and Westman Region so that no one, the people who are really in need aren't going to get them.

That's what's happening. We're seeing a total reduction and I haven't seen the answer that this Minister of Health is prepared to give. He just says, I want this stuff on the record. I want it there for the people of Hartney, and the Westman Region. I don't care whether it's on the record. I can talk directly to them, Mr. Chairman. I want him to tell me where the elderly people are going to live when they need the facilities that he's eliminating for their purposes.

Where are they going to live? Tell me. Is he going to take them to his own house? Where are they going

to live? That's the question. The numbers don't add up. There aren't enough beds to accommodate the people who need them, and he says, well, as a percentage, they are better off than any other place in Manitoba. Well, if that's the case, then the total health system in this province is totally degenerated under this government. That's the bigger question that each and every one of us have to ask this government - that socialism has destroyed our health care system in Manitoba, that socialism has not helped the people of Manitoba.

I want the people of Manitoba who deserve a decent living and care taking in their elderly years when they need medical services to be looked after. Mr. Chairman, they're not getting that under the New Democratic Party. The numbers show it.

The Member for Ste. Rose, I want him to go to his constituency and say that in 1981 when they took over office, that there were 626 ensured nursing home beds in Brandon, that by 1987, under his government, they will be reduced to 552 - a reduction of 74. I challenge him to go to his constituency and tell those numbers. Tell them that in Neepawa. Why doesn't he stand and defend and tell me I'm wrong? If I am wrong, Mr. Chairman, I will yield to the Member for Ste. Rose. Mr. Chairman, I challenge the Member for Ste. Rose to stand and say that I'm incorrect, that the numbers that I have are wrong. Are the numbers I have wrong? Why doesn't — (Interjection) — well, the Member for Flin Flon says . . .

MR. CHAIRMAN: Order please, order please. Order please.

MR. J. DOWNEY: No, you can't. He's the critic for our party and you've got to answer to why you're reducing the number of beds in Westman Region. He's let you off pretty easy, but we're not going to let you off so easy. Your First Minister went and shook hands with the people of the Fairview Home last week and made a lot of publicity, why wasn't he telling them that next week he was moving them out into the street because there isn't going to be a bed for them. He hasn't stood in his place and defended his government once. Mr. Chairman, I want to know why he's reducing the number of beds. That's what I want to know. Why is he reducing the number of beds? The Member for Ste. Rose, why doesn't he stand and say that I'm incorrect, if he can prove that I'm incorrect. Why are you reducing the number of beds? That's what I want to know.

HON. L. DESJARDINS: When he talks directly to the people of Brandon, maybe he can tell them that right now in this program there are \$111 million, a commitment that is the third largest of all, including Winnipeg. Maybe he can tell them that we spend \$24.5 million in Brandon, maybe he can tell them that if he really wants to let them know. — (Interjection) — Just a minute now. You've yakked enough and you don't know what to say; you repeat the same thing over and over again like a broken spring. I know. Tell them that we're stupid because we only want to spend 24.5 million, and in their time they spent about \$200,000 in bringing things to fire reduction. And then I also would like to know something from my honourable friend. He feels

that we should bring the rest of the province to what Brandon has now. Is he ready and maybe he can tell me, is he ready to spend another \$345 million now, just in capital, to get the beds equal to Brandon, and add \$159 million operating costs every year for that? He says, no, that he's not ready to do that.

Now, Mr. Chairman, my honourable friend is also — (Interjection) — what job do you want now, the way you're really hustling to get a job, I don't know which one. Now, Mr. Chairman, with all these good intentions and worry about the people, why in the hell didn't you build in the last four years when you were here. As I said, we first approved 1,480 beds; you approved 156. All right, if you say that approval doesn't mean a thing. We started the construction of 1,204 and you started construction on 364, some of them that were announced before. And all of the figures that you have will give . . . and now he's got this paper and I don't know if he feels that this is the Bible. I don't recognize this paper. Nobody here recognizes this paper. We've never called it insured nursing home beds; we've never referred to personal care homes in that respect and that is a working document, if anything some of the information. I've never seen this paper before. — (Interjection) — Well, you know, the thing is, this is what we approved, question me on that. I wish I had done all the dirty work on that damn thing. So, Mr. Chairman, on this thing here, this is the thing you should question. You get a paper and then it's supposed to be the Bible and you wave that around and say, we're going to reduce the beds and they won't have any place to go.

I told you that there will be a reduction what was announced, of 50 beds. Now this thing is not being government policy; Cabinet has never seen it; I've never seen it. — (Interjection) — It's not happening until a decision is made. So as I say, my honourable friend out there, has got very little to say. He's repeated the same thing. He took a paper which is not a government policy and he's announced that as government policy. — (Interjection) — Well, how many times do I have to deny it, that it's not government policy. How many times, do you want me to say it in French, will he understand? Je comprends pas le français. J'ai assez de misère avec l'anglais. (Translation): I don't understand French. I have enough trouble with English.

So, Mr. Chairman, then honourable friend from Pembina asked a certain question. He wanted to know the per diem rate. Ontario is 18 - for personal care homes — (Interjection) — didn't you ask me for that? Oh, I'm sorry, I won't give you that information. What is the other question that you asked? For the Pharmacare, I want to say that I haven't looked at the recommendation. I think they finished last week and I haven't had a chance to look at it and analyse that as yet. I don't even know what the recommendations are, to be honest with you. I spend an awful lot of time here, but I can assure you that a decision will be made before the end of the session. Don't think that I'm trying to stall, but I can't be here . . .

So, Mr. Chairman, there's nothing new in the answer. I gave the information. We covered Brandon about three or four times. We gave all the information. And I say to my honourable friend that this is not a government policy, that he can pull out any paper and try to make a point and go and talk to the people of Brandon. But

I also gave him information. I can give him a lot more information that when he talks directly to the people of Brandon, he could pass on.

MR. D. ORCHARD: Well, Mr. Chairman, I'm interested to know that the Minister has not looked at his proposal on the takeover of the pharmaceutical business in Winnipeg. It's the first part of May and his decision has to be made theoretically for an implementation of the program if he's going to nationalize the private sector and take over the business out of Deer Lodge, he's got to do it by July 1.

Now, Mr. Chairman, the Minister has been trying to tread lightly on this thing and not get into the substance of it. But I'd like to — (Interjection) — on the pharmacare take-over, and I'd like to ask a number of questions on the program tonight. First of all, Mr. Chairman, the cost savings that the Minister identified were in the range of \$500,000. Now, Mr. Chairman, I'd like to ask the Minister a few questions on those cost savings.

First of all, Mr. Chairman, the level of staffing. With the level of staffing, is the Minister giving the assurance that the level of service will not decrease as compared to what it is. And I pose that question on the background that the people who are probably as much against the government going into this program are the administrators of the personal care homes now being served. And so, the Minister has got a proposal where he's going to take over, his proposal was to take over the pharmaceutical business. There were six firms with 26 employees, currently supplying the personal care homes in Winnipeg. Can the Minister indicate what assurance his proposal study has in that he can assure the homes that they're going to receive as good a service with his Deer Lodge proposal, his government proposal, as what they're receiving right now through the private companies?

HON. L. DESJARDINS: Mr. Chairman, my friend will have to take my word or reject it. That's his privilege. I can tell him that I do not intend to stall on that at all. I know that the committee has done its work. I honestly haven't seen it. I've been here nearly every day on this thing and I missed a day or so last week for personal reasons, and I can assure him that the announcement will be made very clearly before the end of the session. So, we'll have a chance to discuss it again. I can assure you of that. I can't do any better than that. We announced a program, the program was not only to save, that wasn't the first reason, of course, and it's an important reason if you can save half a million dollars, and I'm told that we probably would save more than that when everything is counted. Now the thing is we feel we can give better service and that the records and everything, there will be more protection. That's what my advisors are saying.

Now, there's been some talk for a number of years. It was a bit like I guess, if you can go back to the Autopac, first there was a lot of talk about the car insurance, people would be suggesting to clean up the act, they've never done it. And then, when the government stepped in, they started yelling. Now, it's a bit the same situation. I think they took matters in their own hands up to a certain point. I don't want to

overdo this, or exaggerate it, but there was a bit of a kick-back to some of these personal care homes because they were giving some freebies and certain things that were supposed to be covered already and financed by the commission. So that is the thing that I don't think it's up to these people to decide what the government will finance and if there's any saving, they should charge less for the programs. There have been all kinds of different prizes from different personal care homes, the . . . services, I haven't got all this information now. I will have it in time when we decide. Once we decide, we will make the announcement.

I met with this group and they said, well, could we look at it. They talked about a saving. They said could we get together and have a - what is it - larger purchasing - block purchasing. Of course, they could; I don't know why they didn't think of that before. They are supposed to bring recommendations and we'll decide. We will take full responsibility.

We have been talking during this exercise here that we have to save every dollar and spend wisely. That is going to be taken into consideration, and we want to be more consistent as we go along. This is quite costly also, and that will be taken into consideration. Then we will announce and we'll stand behind the decision that we'll make. So right now there is no decision made . . . — (Interjection) — Eh? Well, my friend is disappointed, and he doesn't have to believe me. I am telling him the way it is. There is no decision made yet.

MR. D. ORCHARD: Yes.

HON. L. DESJARDINS: And I say to him, the people of Manitoba will have their decision before the end of the thing. If he doesn't want to accept that, what can I do? You know, if you say you are stubborn, if you don't want to listen to anybody; if you listen to them, you're backing down. If, at their request, you wait to give them a chance to make their presentation, you are told that you are stalling or that you're hiding. So I can't give anymore information than that. I can understand it is a disappointment not to be able to debate this tonight because the decision isn't made.

But I say again, that decision will be made long before the end of the Session and it will be announced. My honourable friend will be able to ask all the questions and get us to be accountable for the program, and we'll stand behind whatever we do. As we go along with some changes, fine, we'll go ahead; if not, well, then we'll announce the program that we will adopt.

MR. D. ORCHARD: Mr. Chairman, the Minister made an allegation tonight about kickbacks and that sort of thing. Well, you know, Mr. Chairman, can the Minister indicate whether he, his office, or the MHSC who provides the funding to the personal care homes, ever wrote to them and told them that this was a problem, ever pointed out to them that that was something that didn't meet MHSC department guidelines? Was there any communication with those people about these alleged kickbacks the Minister is talking about?

HON. L. DESJARDINS: I don't think there is anything official. They had discussions, but I don't think there is anything in writing though.

MR. D. ORCHARD: Well, if they have had discussions, who discussed what with whom? Let's not just talk about allegations like that. Let's find out who said to those people that there was kickbacks? Who talked to the administrators? Who talked to the suppliers and said there was kickbacks that should be cut out, even though there wasn't anything committed to writing, even though there wasn't anything? — (Interjection) — What I am trying to do, for the Member for Inkster's information, is to protect his Minister because he got up in this House and said there was kickbacks. There is nothing in writing pointing that out. I would like to know when that was discussed and with whom it was discussed.

HON. L. DESJARDINS: Mr. Chairman, I don't have records of that and I don't think we should be expected to keep records. We accept these responsibilities; maybe they should have been written. But the point is, and I said that I didn't want to exaggerate, and I told you exactly it wasn't an allegation. I am telling you that these people are giving freebies to personal care homes. I am saying that this is not their business. They are giving things free that are financed by the Commission and that is wrong and I don't think that you have to receive a letter to be told that that shouldn't be done.

I can tell you this, I'm not going to start something here that will discredit everybody in a certain profession, but there has been certain things that weren't quite right. My friend talks about when people phone in and so on - I've received a lot of phone calls from people that were suggesting that things weren't quite exactly up to par. I didn't make a big thing out of that. I don't know if these things could be proven or not, but I'm saying that some people out there think that it's not right, so the thing is that we are looking at the whole program. We are going to see what they have in mind. That certainly maybe was late in coming but I told him that myself at that meeting. He wanted to know when. I told him that that wasn't their responsibility. I told him that it was brought to my attention. So maybe it should have been done before. But they had some discussions before and nothing was ever done, but they had discussion and no action was taken and they waited.

Now I'm not saying that some things shouldn't have been done before, but there has been a problem there before. And now we are finally saying, fine, we're going to bring in a program and they asked that they should have the chance to make a presentation. They feel that they can do it as economically and as well, and we're going to look - we're going to really take a good look at their suggestion.

I said this to them, that I have no hang-up, no ideology hang-up, that I don't care who does it. But the point is that we wanted the service and we wanted to do it as reasonably as possible. Now if that's wrong, then we're wrong. We're going to look at that and we'll make a decision.

MR. D. ORCHARD: Mr. Chairman, these freebies that the Minister indicates the homes were getting . . .

HON. L. DESJARDINS: I beg your pardon?

MR. D. ORCHARD: The freebies that the Minister indicates the homes were given - and which I presume were the kickbacks that he was talking about from the pharmaceutical suppliers - is the Minister saying that in receiving those freebies as part of the service, part of the supply of pharmaceuticals to personal care home residence by those private sector pharmacies, is the Minister saying that then those supplies were charged to the MHSC, so that there was a double charge? They got them for free and then charged them to the Commission?

HON. L. DESJARDINS: No, I am saying that in the guidelines that were used to finance the operation of a personal care home, that is taken into consideration. And in some instances, there might be certain things that are not insured, and by that action, the supplier then decides that it's going to be insured, because then that will reflect in the overall cost. My friend knows that nothing is free. Therefore they would have to, let's say, overcharge to cover the things that they're given free. They're not charging for that, so therefore they decide themselves the things that are not covered, that it's going to be covered. Because if that money was applied to reducing the cost of drugs - and we know that this is an expensive enough program - that's the way it should be. I don't think that it's up to them.

Now some of the things that were in, the labelling had been found to be inefficient in a number of cases. We felt that the way the system is that there's little pharmacist's input to medication scheduling and inoptimal administration time. Meaningful clinical inputs from the pharmacists in the home is still the exception rather than the rule. I'm not saying that we're blaming everything on them. We're saying some of these things that could be improved. Meaningful drug reviews are frequently not being conducted and in the majority of instances are not multi-disciplinary.

Review individual drug regimen of residents indicate numerous potential for problems. The use of more than one drug in a therapeutic category is common. They might have two or three laxatives and two of the same kind of drugs. Medication rooms are frequently poorly organized; contain expired items; have no separation of internals and externals; contain unused or discontinued medication. Drugs are frequently stored in refrigerators with food or specimen. I can just imagine if we did that, what we'd be accused of doing.

Many homes have no written policy or procedure for medication handling practices and these are some of the things we're looking at. If they can rectify that and if they can deliver the service at the same cost, or less, fine. We'll go along with them. But these are some of the concerns that we're looking at.

MR. D. ORCHARD: Mr. Chairman, in these freebies that the Minister refers to, he's saying that they are budgeted globally, presumably a number of the personal care homes are running their budgets without surplus. In fact, some of them are even running in slight deficit positions.

Now if these freebies, as the Minister puts it, are part of the present service in pharmaceuticals, when the government takes over the pharmaceuticals, if they make that decision to take over the pharmaceuticals,

then those freebies all of a sudden have to be purchased by the home. So they're going to cost the taxpayer money, and that is not a charge that the Minister has budgeted back into the savings of his program.

You see, he can't have it both ways. He can't say that they're freebies and, therefore, it's a kickback, because those are necessary parts of providing pharmaceuticals in the home. You can't do it without a paper cup, a medication cart. Your own pharmacists are going to have to have medication carts and a number of other things, paper bags, plastic bags, forms. All those things are going to have to be bought by the homes. If they're supplied now at no cost as part of the service that the pharmacies put out, the homes are going to have to buy them from now on. That's going to be a cost to the personal care home, to the budget and eventually to the people of Manitoba - not eventually, right away.

So, Mr. Chairman, that's one area of costs that I don't think the Minister budgeted anything for. He is talking .5 million saving, but there is no budget for the additional cost to the personal care homes when they have to start buying these supplies. There's no line in there — (Interjection) — Mr. Chairman, the Minister says it's all net.

Mr. Chairman, I would like to ask the Minister just a couple of questions then. On his budgeting to arrive at this \$500,000 saving, was there any delivery cost figured in? Was there any facility cost in terms of the Deer Lodge facility? Was there any capital cost allowance or depreciation allowed on equipment and facilities? Were there any interest charges to the estimated capital cost and, presumably, inventory costs and supply purchases? Were there any interest charges in your workup to get to your \$500,000 saving?

HON. L. DESJARDINS: First of all, let's put this in perspective. The kickbacks that I'm talking about are certainly not the main issue. Why I brought this in is to show that it is up to government to decide what the policies are. Now some of those were already covered. That is that they were covered in the guidelines, in the funds that we were giving the personal care homes to deliver services. Some weren't. It is not up to a supplier that decides, well this will be covered. That's up to government, rightly or wrongly.

The half million dollar saving that we're talking about, everything is calculated in there, the delivery, everything is charged, and there is a saving of half a million dollars. The proposal that was made to me was that it will be more adequate and the service will be better.

One of the things we want to know, there might be reasons for that, but some of the things we want to know - the average now per resident is \$50.88 across the province. That varies anywhere from \$31.21 to 73.26. Sometimes we see the same dosage, the same prescription with a big difference. I haven't got that here, but for the same prescription a question of \$3 or \$4 in some instances. Those are the things that we're trying to find out and have a more consistent program.

If they can rectify these things, if they come in when we look at their recommendations and discuss with them, fine. They can go ahead. We won't make any changes, and I think it will be worth the exercise. You

know, we were told a while ago, if they're doing something wrong, tell them. That's exactly what we've done.

MR. D. ORCHARD: Mr. Chairman, since the Minister has indicated that delivery costs were figured into the proposal, could he indicate how much the delivery costs were? Would the Minister, if he can't provide it today

HON. L. DESJARDINS: . . . what programs there are. The decision is not made and whatever program - if we go ahead with these people, we'll tell you why. If we reject their suggestions over the program, you'll have all the information. I haven't got all this information at this time.

MR. D. ORCHARD: Mr. Chairman, the Minister is about to make a decision to close down six private businesses in the City of Winnipeg and throw some 26 people out of work. Mr. Chairman, that's exactly what you're trying to decide — (Interjection) — and the decision is based on some economic figures that he developed.

Mr. Chairman, I'm asking the Minister, if all costs were figured into his savings, and he said they were, I would like to know what the delivery costs are. The Minister says he'll give me that but he says I'm going to give it to you after I make the decision. What the whole purpose of Estimates is to try to get this government to make proper decisions and point out when they might be doing something wrong.

If you haven't figured delivery costs into your estimate, if you haven't figured the costs of the freebies, the kickbacks, the Minister so calls them, if you haven't figured in the costs of interest on your capital investment to put that program in place, if you haven't figured space allocation costs in Deer Lodge Hospital and figured it into your proposal, then you're not using all of the figures and all of the information at your disposal. If you haven't got all the information at your disposal, you're not going to make a good decision.

Furthermore, Mr. Chairman, currently there are some 26 people that are working in the private sector delivering this service. The Minister's proposal, I understand, is to deliver the same service or an improved service, he says, with some 22 people. Well, Mr. Chairman, as much as I would like to be able to believe that 26 people can be replaced by 22 people and offer the same quality of service, better indeed the Minister says, and save money at the same time, I start to get a little nervous because I haven't run into any government business that runs more efficiently than a private sector business. There isn't.

Mr. Chairman, if the Member for Inkster is urging the Minister to show me a report on this, I'd be glad to see it — (Interjection) — yes, there's lots of those around. Only the unfortunate thing is, there are none of them in this House.

Mr. Chairman, the Minister is trying to make a decision, and I don't think that he's got all of the facts in front of him. You see, the reason I asked the Minister the question about Deer Lodge and the pharmacy there, there are seven people in the pharmacy there, and there are 290 beds. There are 410 beds, I believe, in the municipal hospitals and their pharmacy complement

is something under six for more people. What you have out there, I believe, at Deer Lodge, and I'll lay this right on the Minister tonight, is you've got a group of pharmacy people out there that are looking for something to build and to expand on. They've sold this Minister a bill of goods about going into the pharmacy business and running it out of Deer Lodge.

One of the most ridiculous statements that the Minister made on this to date was in reply to a letter that I wrote to him. I should dig it out and I should read it back to him, because it would be educational for all of us here if I could just find what the Minister said in justification of this move. I probably can't find the letter, but I can tell you what the upshot of it was, because I remember. It's branded indelibly into my mind. Here it is.

Now where are we here? I should actually let the Minister answer a couple of questions and I'll find it, but basically in his letter to me when I inquired about it, he said you didn't have to figure the capital costs because the money was coming from the government anyway. Therefore, you didn't have to worry about this \$100,000 you're spending to set up the program and equipment, because it's free money. It is from the Federal Government.

Well you know, that was the most bizarre answer that I've ever heard and actually quite irresponsible. I was surprised that the Minister had put that into a letter, that the capital costs weren't figured because it wasn't provincial money. Mr. Chairman, this whole department is crying for expenditures in geriatric services and other services. He says that we got \$100,000 to throw away here, nationalizing private sector businesses and putting them out of business.

Now, Mr. Chairman, the Minister has a decision that he's going to make. He claims he is making it on the basis of economics. He alleges a number of problems in terms of the present service. He further says that he's going to replace, through this program out of Deer Lodge that currently 26 people in the private sector are delivering - he's going to replace it with 22 people out of Deer Lodge and they're going to cover the whole city. Mr. Chairman, I simply don't believe that. I fully believe that if the Minister wanted to be realistic about this, he can probably get some cost savings out of the existing pharmacies, and he could probably get it by some bulk purchases because I think a couple of hundred thousand dollars of his savings could be available through the existing program if they followed through with bulk purchasing.

Mr. Chairman, they wanted to talk about a capitation so that you don't have several prescriptions per month per resident, and I believe they've talked to the Minister about that. There are ways that they can do this. I would suggest the Minister very carefully consider the possibility of leaving the delivery system where it is, with the private sector because, you know, as much as my friends in the government ranks don't like to believe this, I fully believe that the delivery of service in pharmaceuticals to the personal care homes has undergone some fairly dramatic changes over the last number of years, and they've undergone that probably because of the competition in Winnipeg among the six firms trying to supply the various homes in Winnipeg.

They're on computer. All of them, as far as I know, are on computer now; they keep records to provide

the information that the Minister says he's going to provide, only better. They're all on unit dosage, which is much easier, much safer to handle, much more easy to regulate. They are providing a number of materials, equipment and service that the Minister is going to have to replace and he hasn't budgeted for in his \$500,000 saving.

The Minister's going to have to deliver and provide 24-hour services which, in any Estimates I've seen, he's underbudgeted the cost of. This Minister is faced with a decision here, has put a decision on himself, I think, on rather hasty information. I can't understand why the Minister went out on a limb on December 7th and said, this is the way it's going to be. I don't know why he did that, and when he did it, he did it on the basis of some pretty sketchy numbers put together by the Director of Pharmacy out at Deer Lodge and that information is still sketchy.

I don't believe that the Minister's got all his figures in front of him; I don't believe he's got delivery costs figured in there properly. Maybe the government intends to use some excess delivery capacity in vans the department already owns. I don't know whether that's right or wrong, but if there is surplus capacity in government delivery and vans, then why take over pharmacies to justify it and why throw people out of work in the private sector? Why not get rid of your vans if they're surplus, if that's how you're going to deliver them?

There's no delivery figure in here. There certainly is no interest on the capital cost that he's going to have to go through, and above all - and this is the second time I'll repeat this and then I'll sit down - the Minister claims that his program, with 22 people, is going to deliver not only the same service but a better service than 26 people are currently delivering it in the private sector.

Mr. Chairman, that even stretches the imagination of a die-hard socialist, that if 22 people, operating out of one facility, travelling all the way across the city to personal care homes in Transcona, in the north end of Winnipeg, in the south end of Winnipeg, are going to be able to spend their time travelling to and from those facilities and provide all the clinical care that he's talking, with fewer staff.

Mr. Chairman, it isn't going to happen and that's why I say, and I'm very concerned when the Minister is standing up here tonight and saying that he's going to make a decision, he's got a recommendation in, the 10-person committee has made him a recommendation; he's going to study it and then he's going to make a decision, but he still talks about a \$500,000 saving. I'm pointing out to him tonight that if he wanted to take a look at his cost calculations, he'll find those items that I've mentioned tonight not calculated in. He will find that if he reads the report that there is flawed figuring in the calculations of how economic this program is going to be.

The Minister will be making a mistake if he converts this program over to the Deer Lodge program, because what will happen in a few years is you will find you will have more staff. It will grow and grow and grow. You will lose the competition between private sector companies and the innovation that can come from that because I believe that the pharmaceutical companies, because of the competition, have brought in a lot of

services that the personal care home people are very satisfied with, the administrators, they find it very easy to work with.

To back that up, I know the Minister got a copy of this, and I made him a copy tonight; I'll send it over to him. It's a copy of a three-page letter from West Park Manor Personal Care Home Inc. All of the things he mentioned, in terms of improved service and better delivery and better consultation and clinical pharmacy, etc., etc., are all answered in that letter; and that isn't a unique situation. There are a number of the personal care homes that are extremely satisfied with the service and the program delivery they get from the existing pharmaceutical suppliers and they don't want any truck or trade of the Minister's centralized pharmacy because they don't believe they're going to get 24-hour service, seven days a week, emergency delivery and consultation as good as what they're getting right now.

So, Mr. Chairman, unless the Minister is going to have another look at the figures he's had developed for him, ask a few of the questions that I've asked tonight, if he makes his decision based on this \$500,000 alleged saving that is drawn up in some of the calculations that have been made, he's going to make the wrong decision and based on wrong information.

HON. L. DESJARDINS: Mr. Chairman, my honourable friend asked why we made the statement and we weren't prepared. It certainly got the attention of the people, the suppliers. We had been talking with them. My honourable friend mentioned capitation also. They rejected that. Now they're talking about it, but they rejected it; and when they talk about capitation, we wanted the same money that is involved there but on a capitation system, but no, none of them were going to take a reduction.

I admit that I haven't got all the information at this time of this program, and when I talked about \$500,000 saving, actually what they projected is \$700,000; but because of some of the things, to make sure to use a conservative figure, we've used the half a million dollars. My honourable friend also said, with less staff and they'll be running all over the place. No, a pharmacist would be assigned to four personal care homes and he wouldn't be running all over the city. He wouldn't be going to Transcona and then the north end and the west end and so on.

I want to insist on getting the proper information before we make the comparison between the two systems. Now the emphasis of the Deer Lodge program was to provide increased clinical pharmacy input with emphasis on geriatric pharmacology and we don't have that at this time. We're trying to make Deer Lodge a centre for the older people and provide this service.

My honourable friend said also that if we can use some of the other facilities for delivery - we're going to calculate the extra cost. By combining certain things, the industry has talked about centralization. What do they do in the laundry business? All of a sudden we're accused. They say, well, the socialists never thought of that, the staff, but you've always said the other way, that the free enterprise system could, because they would probably have less staff. How do you think they would run personal care homes, because they try to have less staff? The staff is most of the cost.

Now, we've talked about the competition. I wish the competition would do something about this. Let me tell you, a while ago I sent for certain supplies. Well, I've got here a supply of up to 13.7 cents in one pharmacy and at the same time, exactly the same supply, 3.5 cents - 13.7 cents to 3.5. Now, where is that great competition that is keeping this thing. These are the things that we want to look at, we want to centralize.

Now, there's another one, exactly the same thing, goes from 13.83 to 7.85; now, there's one 10 cents to 74.6 cents. These are the things that we want to look at.

I can assure my honourable friend that I will have to be satisfied and I will have to defend the decision that we make. Therefore, I intend to get this information if we decide to go that direction, and we'll stand or fall on it, but there are many many reasons. It is still felt that it'll be a saving, but that it'll be a certain service that we're not getting now. It might be that we'll go along with it. It might be the fact that we did it this way, they know that finally we meant business.

Now they're looking at it; they're talking about capitation, they're talking about all kinds of things. It might be that they will run it. Who stopped them from getting together and having bulk purchase? Nobody stopped them. Why did they have to be told?

They had some discussion before and it never led to anything and I would hope that if nothing else, even if we stay with them, it will be a better system, an improved system, and it'll probably be cheaper for that service. If we can achieve that, I'm satisfied.

MR. D. ORCHARD: Mr. Chairman, I found the quote in here from the Minister's letter to me, January 10th, I guess.

"Deer Lodge is presently undergoing a major renovation and reconstruction program and the Pharmacy Department is included in this. It was determined that this program, when combined with the Deer Lodge Program; i.e., the Pharmacare Program, could be provided without substantial capital expenditures and in any event you are aware of the fact that the \$30 million plus capital costs at Deer Lodge are being funded by the Federal Government."

Mr. Chairman, if you're spending the Federal Government's dollars, it's money spent, and that \$100,000 could have been spent to provide geriatric services somewhere else in the province. That is not a good argument to be using and that's what's concerned me about this since Day One.

Mr. Chairman, the Committee Report, as I understand it, has come in and I'm told, from people I discuss this issue with, that there are 7 out of the 10 that want to stay with the existing system with improvements and there are three that want to change them and go with the Minister's program. The three incidentally apparently are all the government appointees. — (Interjection) — No, no. MHO is there and the administrators are there, etc. etc.

Mr. Chairman, before I close off on this subject, there's a number of things that bothered me about this. First of all, I've believed from Day One that the Minister is moving, even though he says tonight that it's not a philosophical hangup he has, I've been

concerned from Day One that this is what it is, it's a philosophical hangup, because when you have the Minister stand up tonight and talk about kickbacks, but yet they've never been serious enough about them to ever write these people and point out that there was a problem, that indicates to me that there is more to this than simply a few dollars on the table, that there's something philosophical here. That's my personal concern on it and the Minister has indicated to us tonight that he doesn't have any hangups, so I'll accept that.

The Minister back on November 29, 1984, at the UMM meeting, he talked at length about the challenges in the health care system and all of the goals we had to work for and some of the challenges that were facing the people of Manitoba, and he ended his speech with rather an interesting note, I thought. He said, in closing his speech, "I want to emphasize that we aren't going to dictate changes. Successful changes will only come about with consultation and consensus. In the coming weeks and months my staff and I will be meeting with the public and the providers of service to explain in greater detail what I have been discussing now." That was the 29th of November, 1984.

Mr. Chairman, if I can just find my - here we are - December 7th, press release from the Minister: "Personal care home drug plans announced." This is where he announced the change in the program, eight days later; eight days later after talking about the changes that will come about with consultation he comes up with this plan.

Now, Mr. Chairman, one would think that basis what the Minister said to the gathered reeves and councillors and their wives and friends, that there would have been a lot of discussion with both recipients and the providers of that service. Mr. Chairman, following the Minister's December 7th news release, I want to read to him from December 11, 1984, Manitoba Society of Professional Pharmacists Incorporated. "Pharmacy was shocked and angered by the announcement made December 7th that commencing in April, 1985, all personal care homes in Winnipeg will obtain their pharmaceutical services from Deer Lodge Hospital and those in Brandon from some central service in January, 1986."

Here's the important quote, Mr. Chairman, from this letter of December 11th. "This announcement was made to the Society, the pharmacists involved and the personal care home administrators with no prior warning and without prior knowledge. This action has completely destroyed the trust and co-operation which has developed over the past 11 years."

Here's a letter, December 17th, from the Manitoba Health Organization Incorporated to the Minister of Health. The second paragraph: "Firstly, we wish to lodge a protest against the method by which the new program was announced; namely, without any consultation with us nor those more directly affected, such as the governing boards of personal care homes, which have the legal and moral responsibility and authority for the standards and costs pertaining to their facilities."

There are a number of other fairly strong words in this MHO letter. We discussed MHO last night, or Friday afternoon with the Minister, I can understand maybe why he doesn't sometimes appreciate their arm's length position with the government.

On Page 2, top of the page of this MHO letter, they're talking about the principle of the Manitoba Health Services Commission becoming the provider of the service and the setter of the standards to monitor the service they're providing. They contend that that's a conflict of interest, that that doesn't serve the purpose of MHSC and it's a legitimate point, that here MHSC is going to all of a sudden, through Deer Lodge, be supplying personal care homes with pharmaceuticals and the complete pharmaceutical program and then monitor the standards of implementation. — (Interjection) — Not good. But at any rate, on that principle MHO says and I quote, "The foregoing principle has been negated on previous occasions as well, but it is one that in this instance is a flagrant violation."

Mr. Chairman, those are reasonably strong letters and I sent the letter of West Park Manor, and there are others, and we did a little phone survey when this was announced, and we found the vast majority of the personal care homes and the administrators we contacted, who commented, were very satisfied with the service they had. They did not believe that the government, through this new program, could offer the service, etc. etc., that they were currently receiving.

Mr. Chairman, I was, I have to say, after listening to the Minister's speech to the UMM, I thought he had turned over a new leaf and that he was going to start dealing with changes and matters in health in the kind of atmosphere that his Premier often talks about; namely, an atmosphere where they want to consult with the people, they want to hear from people, they want to understand what Manitobans want, they want to listen, they want to - you know, I should turn this over to my colleague, the Member for Turtle Mountain, because that's exactly the kind of image the First Minister is constantly trying to develop for his government, a government that cares, a government that listens to the people.

Here, Mr. Chairman, we have this Minister of Health, this senior Minister, this high-profile Minister in the Cabinet, he's the guy that Sid Green calls the defacto leader, because if the Minister of Health doesn't want anything to go on in government, it doesn't go on, because otherwise he pulls out his letter that he's got in one desk, and one over in his office desk. And he's been successful in bullying the Premier around and he's also been successful in making his Premier look pretty silly from time to time and he's done it on a regular basis.

Mr. Chairman, on this pharmaceutical program, the manner in which it was announced, the manner in which the takeover was announced - there was no negotiation, there was no discussion with MHO, with administrators of personal care homes, with pharmacists. There was no discussion, just - bang! - this is the way it's going to be. Well, there was such a furor raised about it and I suspect that maybe this was one time when there were a number of phone calls to the Premier's office and the Premier got this guy to back down, this Minister of Health to back down because he did announce on December 28th that he was going to set up this committee, this 10 person committee and they were going to review the issue, talk about it and see what kind of decision they could make.

Mr. Chairman, — (Interjection) — you know, the Minister has even got the Member for Inkster

brainwashed - it probably took him about 30 seconds to do it. But brainwashing the Member for Inkster, that's a long ways away from selling this program to the people of Manitoba, because the people of Manitoba do not believe that you are going to set up a government-run organization that will be as efficient. The people of Manitoba further don't believe that if all these problems were there and they were so bad, why weren't they discussed before now? Before the December 7th announcement, why weren't they discussed with the suppliers of service? If all of these problems were there, these kick-backs, these freebies - all of these problems were there - where are the letters that went out to point out the problems?

Well, you know, Mr. Chairman, I can't answer that, but I can tell you that the people receiving the service don't want a change, in the majority. There are some that do, there is the odd one that does, but the majority of the personal care homes in Winnipeg don't want to change over to the Minister's system. There's got to be a time in this government's lifetime where they make up their minds whether they want to be true socialists or whether they want to run a mixed economy in the Province of Manitoba.

You know, you keep talking about private sector and how you'd like to have them create jobs and pay your taxes to you but, Mr. Chairman, this isn't going to help collect any taxes in the Province of Manitoba. This is going to lose 26 jobs, throw a number of people out of work. The Minister has made the argument that these pharmacists could hire on to the new program. How are they going to do that? Right now, if they leave, those businesses can't supply the homes that they've got an obligation to, both moral and in some cases, probably contractual obligation for a while.

So there is no switch over; it's the same problem. Once again, you know, if wanted to draw a long bow with the Minister of Labour, theoretically this is a new business that's being set up, the Province of Manitoba to replace some other businesses. Labour laws in this province say you've got to provide job protection. I don't think you will.

Mr. Chairman, no doubt the Minister's got a few comments he wants to make on this, but I believe that the Minister has not had all the information he needs at his disposal. I believe that he did handle this in a rather callous manner, in that he came right out, without any consultation with anybody and made his decision and then he goes back and does his negotiating with them. That's negotiating with somebody when you've got a loaded and cocked revolver to their forehead and you're going to say, let's talk about a deal now. That's not negotiation. If there were problems and if there were areas the government thought they could save money in, they could have sat down with the pharmacies, and if they ran into some problems and if they couldn't negotiate, then the Minister could bring out his December 7th News Service release - maybe a couple of months later - and say, well, you know, we can't negotiate; we're forced to do this.

But the way this Minister has handled this one has destroyed this government's credibility in terms of its dealings with its citizens, in terms of its ability to listen, in terms of its ability to consult. Once again, the Minister of Health has made his Premier look rather silly on this issue. The Premier is running around this province

talking about what a great job this government does in listening to the people and his Minister of Health goes and announces unilaterally, without consultation, a new program - and then has to say ten days later or two weeks later, well, maybe we're going to take a little look at this for a little while.

He still hasn't made his decision, and when he makes it, I hope he makes it with all the facts on the table.

HON. L. DESJARDINS: Mr. Chairman, I appreciate the comments of the honourable member. I think they were well meant and I accept them in the way they were given. Let me say to my honourable friend, first of all, that I can't argue with him. I think he finally said that he'll accept my word for it. I told him that I had no ideology hang-up. I think my record is there. I have never, by any stretch of the imagination, been against free enterprise. I think I've always stated that — (Interjection) — if you believe that you made a statement yesterday that you want to nationalize everything - I certainly have always been against that.

I don't think that it's always convenient, if you want to say convenient for the people. It's some area that you pretty well have to nationalize, the government has to be involved when the private sector won't or it can't provide the service. At times it is at a cost and usually the government will have to run the difficult things such as the post office - fine, they're trying to change that. And there are areas like that that you've got to cover, especially when you're trying to cover everything. Anyway, I'm not going to start a discussion on that; my friend will have to suit himself, either accept my statement that I have no ideological hang-ups.

Now, my honourable friend doesn't like my method and he's probably right. But I'll stand behind that because we will get action and if I had to shock the people to do something - because it is not correct that there was never discussions. There have been discussions for a number of years at the Commission, through the administrators also, and some of the personal care homes of course, with the freebies that they get - they don't want to change that too much because they would have to pay for some of these things, and the funds are provided for them, so if they can get something free - fine. But we have the responsibility because the taxpayers - my honourable friend did not comment when I said there was a difference of approximately 80 cents to 10 cents for the same thing. If my honourable friend doesn't see anything wrong with that, then we disagree.

So I will take the responsibility, the situation is not that there's no decision made. If you want to say that I've backed down, be my guest. The point is, if nothing else - if we either take the program over, if it ends up in being an improved program, I'm happy and you can say what you want about me, I don't care. I'm not out to win a popularity contest; I don't think any Minister of Health ever will, especially with what is facing us today.

Now my honourable friend also said that the MHO said there's a conflict of interest when the commission is administering the program and is setting up the standards and so on. That's not correct. The Manitoba Health Services Commission will not administer this program at all, not more than they do now. There'll be

the same relationship as they have now with personal care homes because Deer Lodge will be a freestanding - with its own board, the same thing as you can say about any personal care home.

While ago, we're saying that there's a conflict of interest and before the dinner hour, I was accused, by his colleague, of having a double standard in labour because we were not providing jobs. It was my responsibility then, but now all of a sudden in this program, it's the personal care homes. Well, let's make up our minds. Do I run the personal care homes or don't I? I've always said that we don't, we finance them. The Commission is more of a financing institution, if you want to call it that. They have the insured program and insurance and this is what's going to happen. So, there's no conflict of interest at all.

If it ends up in being a better program, and I'll guarantee that it will be, and I will not make a recommendation until I'm satisfied that I have all the facts because I know I'll have to answer for it.

This business of embarrassing the First Minister, the First Minister had nothing to do with the decision to wait at all. It was my decision; I accept the responsibility. I don't know why it makes him look bad because I have the responsibility of running a department.

Then, about this business that I said that I wanted to discuss with people. I've never said that we're going to provide everybody with a veto and that we'll never make any decisions. I said that we'll discuss it. You know, the same thing that you're saying now, the people are saying everything is going well. I remember when we started with the lottery and some of the members out there, you've tried hard to find ammunition out there. Now, go and ask the Sports Federation and they'll say we didn't think it would work. We saw the — (Interjection) — I beg your pardon? Oh yes, well, I don't give a damn if they like me, but the point is it's working, and you know it's working. It was a difficult decision.

There's no dictatorship. The government will have to answer for it. We will discuss it with them and if the method was wrong to make them realize that we were serious, then I accept the responsibility. The decision will be made with all the facts in front of us.

You haven't addressed the concern that I've said. You've never made any comment. Are you satisfied that some should charge close to 80 cents and another one 10 cents for the same thing? They were asked to change. Nothing was ever done because they didn't think you were serious. You just talk for awhile and nothing is done. There have to be decisions made. The government are the ones that have to accept the responsibility. I certainly wouldn't like to see a government that's just going to look at the popular decision; if we do that we're accused of just looking for the next election. Those are the facts. You can't win - if you go along with them, you're just getting ready for the next election; if you don't, you're not negotiating with them.

I don't know if you would call it negotiating. I certainly consult with them. We have the responsibility for the program. I don't think it's negotiating in the sense of the word. I guess you could use that to try to say - give and take and you try to have a program. If they could convince me that they could run the program and get the safeguards that we want and correct the things that are wrong as well as this program, fine, I'll

have no hesitation in going with them at all, I can assure you of that. I will guarantee that one way or another, it'll be a better program than it is now and it'll be cheaper.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: Thank you, Mr. Chairman.

I have a specific question I'd like to put to the Minister about personal care construction, possible construction. There have been contacts made over the years from people at Swan Lake about possible construction of a personal care home there. The area was generally considered to be served by homes in other communities such as Notre Dame. I would like to know from the Minister whether there has been any discussion in the last year, if there's been any reassessment by MHSC as to possible need for a care home there?

HON. L. DESJARDINS: Mr. Chairman, I think my honourable friend gave the answer to his question. There is a need for a personal care home. What we've done, and I think that in the first year that we started this plan - I brought the charts here - and I gave all the information at the time of what we had in different regions.

If we were to start all over again, it'd be a lot easier. We certainly, whenever possible, would like to see every centre that's large enough able to have their own personal care home. Those things were in place, some of them, and then many times delegations came to the department, the Minister, and the Commission - I'm not talking about Swan Lake, I'm talking in general - and they would come from maybe the same municipality, different centres, and they say we are backing a personal care home in this area. These personal care homes were built, but then they'd come back and say we'd want more now.

What we're doing now, we're trying to equalize that between the regions and the answer is on that Notre Dame over-built and it is in that region. Now, I would venture to say that this will come as we go along because we'll need more personal care homes, we know that. We can't do it all at once. This is why we're trying to have a five-year program. There'll be discussion with the Commission and they will gradually come in. Right now, it is to try to equalize the regions. Notre Dame is over bed.

MR. B. RANSOM: A year or two ago, there were empty beds at Notre Dame. Is that still the case now?

HON. L. DESJARDINS: I'm told that from time to time, yes, but hostel beds, not personal care beds. I would be surprised if there are any single personal care beds in the province that are not occupied, but the hostel beds, there are some that they are financing although we're gradually trying to move away from hostel beds. Whenever there's any construction, we convert the hostel beds, maybe with a reduction of beds, but in personal care beds.

The direction now to the Commission is not to admit any more people under the insured program in hostel beds. We're trying to move away. We need so many beds in the higher category that we're trying to phase

out the hostel beds. Obviously, it can't be done all at once.

We were talking about earlier in Brandon, for instance, these people cannot all of a sudden be sent back in the home and at a certain time they would be panelled anyway to go to a personal care home. We're getting that flexibility in the changing of beds.

MR. B. RANSOM: I'd just like to reiterate for the Minister, once again, Mr. Chairman, that the people in that area are very proud of the hospital that they have there and the area that it serves and that they continue to be very interested in the long term, at least, in having a personal care facility there, because as the Minister knows, every community likes to be able to have the facilities so that their elderly people who need the care can be looked after in their own community.

I just would want the Minister and the department to continue to be aware of that. At such times as there should be any expansions in the area, that that town would be given serious consideration.

HON. L. DESJARDINS: Well, Mr. Chairman, we certainly will do that. The Commission would be ready to keep on or discuss with them for the future and I would think, as I say, after this first round. Any new policy that we have or any new beds that we have, we would like to go as much as possible in the centre where the people live instead of just having everybody, for instance, in Ste. Anne or Steinbach or Thompson - well, of course, in the North it's a little different, and eventually that will be done.

As I said, unfortunately some of these places were billed and are billed now with the backing of the communities around. We've been worried about freestanding personal care homes. We're going to look at that also and review the situation of combining them. I'm not saying there's any decision made. I was talking to the Committee today at noon and we're going to look at the situation in Winnipeg with the mix of beds is easy to make place for these beds that are being blocked, these acute beds. We're looking at all different possibilities of closer extended beds with the hospital. So that will be reviewed because we have to change quite a bit. So we certainly would want to discuss that with a community such as that in the future.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Chairman.

I want to raise a subject which I'm wondering if the department is doing any projections or studies with, in regard to the elderly persons' housing. Mr. Chairman, I know the Minister says it's not the section but I want to raise a matter that I think should be of concern to the Minister with regard to the personal care homes. I think, if you talk to anybody who has had now something to do with the elderly persons' housing units, many of them are in danger of becoming personal care homes.

What is happening is that you have people selling their homes and making that move into a elderly persons' housing unit. They spend a few years in that unit, grow older - many either through a stroke or just the aging process - are growing old and becoming disabled in these elderly persons' housing units.

Many of the people that are involved then apply to be panelled, are panelled, but because they are in a place where public health nurses are already coming to see them, are not put into a personal care home when a unit becomes available because there might be someone in a home or someone living outside of the community who is not receiving the care that this particular individual is.

I say to the Minister - and I think his department and he should become aware of the fact - that I believe that the next big crisis within the aging system in the Province of Manitoba and the problems of the health delivery system to our senior citizens will be in the elderly persons' housing area. These people are there; they're growing old in that particular unit, and what I see happening is that when you open one of these new facilities you have people moving in that are healthy, but after a few years you walk through that same elderly persons' housing unit and you see a dramatic change from a couple of years before.

So I don't know if the Minister's department has been alerted to that, but I think that is one area that is going to be the next sort of crisis area for us to face. I predict that we are, within the next five or ten years, going to have to turn some of the elderly persons' housing units into personal care homes because that is, in fact, what is happening right now.

HON. L. DESJARDINS: Mr. Chairman, we're very much aware and there's a concern, but not exactly for the reason explained by my honourable friend. We have to work with other departments; housing is not our responsibility as such, but the provincial gerontologist reports in our department and heads different interdepartmental committees.

Now it's very clear, without any hesitation, I say that our policy is to keep people out of institutions as much as possible. To do that, what do we do? There has to be senior housing, housing for the elderly. The next step that everybody at one time was supporting is - we used to call it "enriched housing" if you will remember, now we call it "enriched programs" and then we're trying to progress with the home care. At one time, for people in a senior citizens' home, there was no home care.

But the point is, let's talk about people now instead of facilities. The same people would be aging or would be sick in their private homes also. I mean in a home - let's say that they were not concentrated. But now because you have senior housing you can notice it more, but that doesn't compound or increase the problem. It's the same problem, but they would be living in this attic and in this home, and in this place. Now they are together because of this housing.

That has some advantages because you're keeping them there with home care - that's what it is. You know it might be that people start placing somebody in senior housing and they are satisfied. They think that everything is fine and they show off their suite - you know, you have these openings - and it's terrific. But then after awhile, the parents forget to make their meals and the relatives and the children are concerned, or they don't take their medicine and so on, and it might be that by providing certain services, they can stay in their homes longer and that's going to be a lot cheaper.

That's where these programs like Meals on Wheels and day care for the elderly and this - whatever they call it, the buddy, the phone system - will work. But my honourable friend says that that is creating problems that did not exist; I certainly refute that. It is that it's more noticeable but it is a problem.

It is a problem now because people are living older and eventually - because when you open a place they're pretty well all the same age - and eventually you're not going to turn the senior housing into personal care homes, but you will need personal care homes to house these people. They will no longer be able to stay in their residence, and that is their residence and you need facilities. And that's what I was saying that the real concern is because of an aging population; the people are living longer.

But it is not the housing that creates that problem. It is more noticeable. I think the fact that they're closer and there are more of them together then, that you can provide certain services that you normally wouldn't but it is very much a program.

That is what I was saying when I compared this to the whole picture as a jigsaw puzzle, that every program is a piece of the puzzle, but you haven't got the total picture until you've got all the pieces. I think if you would ask me in order of preference what I would prefer - I would prefer people to be in their own homes somewhere or with relatives and therefore we are providing certain respite care, that is to help the people to stay independent in their home as long possible. That is where you have the senior - what is it? - the day care for the elderly and home care, of course, and then if you can't keep them, well then have them in senior housing.

There's another very important thing that I think we have to look at and there's been some discussion between myself and the Minister of Community Services, and that is what we call the guest homes. I think that is a place where the free enterprise system could render this service and there's a place for them in there. But I think what we have to do, we have to be ready to pay the proper per diem rate, or whatever, for the people that we're responsible for, in other words, the people on welfare and so on. So it's all part of the system.

My honourable friend is absolutely right. It's a problem. We know it's coming, but it's not there because you have senior housing.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, if the Minister has got his Capital Estimate Book in front of him, I've got a few questions directly from the Capital Estimate Book.

On the first paragraph, there's discussion of the continuation of the \$115 million current construction program, and then mentions \$215 million in projects to be started during the next year and a half. Can the Minister indicate how much of the \$115 million will be cash-flowed in 1985-86? What portion is left to be cash-flowed? And what portion of the \$215.7 million does the Minister expect to be cash-flowed in fiscal year 1985-86?

HON. L. DESJARDINS: Mr. Chairman, of the \$115 million - well, of course, the contractor will be paid and

then there's the borrowing - prior to 1985-86 there should be practically \$22 million of that would be cash flowed; 1985-86, \$33.2 million; 1986-87, \$15 million; 1987-88, \$11 million; 1988-89, \$13 million; 1989-90, \$9 million and finally, post 1989-90, \$10.9 million and that should make your total.

MR. D. ORCHARD: That's \$115 million, so that cash flow in '85-86 is going to be what again?

HON. L. DESJARDINS: Prior to '85-86 is \$21,990,000.00. You add it up to see whether it fits.

MR. D. ORCHARD: No, no, I just want '85-86.

HON. L. DESJARDINS: Oh, just '85-86. Well, it's, let's say, \$22 million.

MR. D. ORCHARD: Okay, and of the \$215 million, how much cash flow?

HON. L. DESJARDINS: Wait a minute. Prior '85-86 is \$22 million and '85-86 is \$33,290,000.00.

MR. D. ORCHARD: Of the \$115 million that's currently announced, there's going to be roughly \$33.25 million cash flowed this fiscal year. Of the \$215 million of projects to be started during the next year and a half, how much of that \$217 million is anticipated to be cash flowed '85-86, of the \$215 million?

A MEMBER: "No answer Larry".

HON. L. DESJARDINS: That's a lot of questions. It'll take a couple of days, you know.

MR. D. ORCHARD: You'll have to run her straight through.

HON. L. DESJARDINS: Approximately \$88.5 million.

MR. D. ORCHARD: Mr. Chairman, I won't ask that question. That might get us into too long a discussion.

A MEMBER: It might embarrass the Minister. That's what you're worried about.

MR. D. ORCHARD: Seeing as how you're insisting, can the Minister explain what Air Handling is? I know he's an expert at it, but there's Air Handling at the Health Sciences Centre.

HON. L. DESJARDINS: It's ventilation and air conditioning.

MR. D. ORCHARD: I trust that they're going to find a system and patent it and put it into the Children's Hospital, for Air Handling.

Mr. Chairman, under the projects to be started in the next year and a half, in mid '86 there's a 20-bed personal care home, clinic and multi-use beds to replace the existing hospital at Manitou. Can the Minister give the latest bed figure of active treatments beds in that facility at Manitou, as proposed right now?

HON. L. DESJARDINS: Currently 14 acute beds and that will be replaced by 20 personal care beds and six multi-purpose beds or acute beds.

MR. D. ORCHARD: Mr. Chairman, I know that the Minister has a similar proposal for Vita, if I can find it, a hospital replacement and additional personal care home beds. There's no specific figures. It's in the architectural design and planning stages on Page 5.

Mr. Chairman, the community, I have to tell you, at Manitou, has quite mixed feelings about this proposal. Going back to 1980 and '81, there was a proposal in place to simply juxtapose, I believe it was 16 personal care home beds, to the existing hospital. Now that program didn't get to tender and it got lost in the shuffle of the change in government and didn't end up going any further; and then about a year and a half ago the proposal came, through MHSC, to the Manitoba and District Hospital Board that a brand new facility should be considered.

The community has some serious concerns about only six active treatment beds and I've been through it with the commission at a meeting that they had in Manitoba that their statistics of utilization over the past three years or so have been extremely low. Now if I can be so blunt, that was because of some problems with resident physicians, etc., etc. They're reasonably confident now that they've got a couple of doctors in there, a husband and wife team, that their utilization of the hospital is going to go up and they will need more than six beds. They, I believe, have made that position to the Commission and I believe it sawed off - I think originally it was going to be less than six and I think they've been gradually edging it up.

My question for the Minister is whether this is a new trend in smaller communities with smaller hospitals, to phase them completely out and put in much smaller active treatment hospital facilities; and in some regards, this is an interesting one for Manitou because Manitou is within about nine miles, I guess, of La Riviere, of Holiday Mountain in La Riviere, and that is the closest hospital on the way to Winnipeg for any skiing accidents and has, I think, probably been used fairly extensively on an emergency basis over the past - probably will be more so now with two physicians on staff.

As I say, there's a sizeable concern in the community. I reckon you could almost call it a dispute between the board and the community, in certain segments of the community. A lot of the community members believe that a six-bed hospital is not sufficient for the use of the community and they will not be able to retain their physicians, the two physicians they have there, with only six beds. I wonder if the Minister might comment as to whether this is a new direction and process that the Commission and the department and the government is seeing as an answer to some of the older hospitals in the smaller communities.

HON. L. DESJARDINS: Mr. Chairman, I'll just answer this in general, to start, not aiming only at Manitou.

Yes it is. I think if the policy, if there wasn't any political concern - I think no matter the colour of the **government** in power, they would say that they should not **have** these small hospitals of less than 20 beds and **so on**. I remember the now Premier of Ontario,

when he was Minister of Health - it nearly killed him, mind you - but he went out and tried to close some of these hospitals, and he closed some.

Now, it's obvious that we're not recommending new construction of small hospitals. For instance, this is approximately 20 miles from Morden which has a pretty large hospital. We were talking about Brandon; my honourable friend made the point. He was right. We're trying to build regional hospitals. That's the next step that we have and we have to work in the community also. There might be some kind of a community clinic and so on.

You will find that in many these areas - I haven't got the figures for Manitou, but because of the meetings that I had with Vita - Vita is a good example. They've had the average of people in the hospital around 70 and the length of stay was a month or so. What they need is a personal care home.

Now, you can't build this for a doctor. Fine, you build a hospital, then the year after, they lose their doctor. There is a reluctance on the part of the doctors to go into some of these rural areas. Some of them, the new immigrants, might go there to get into Manitoba and then a year after they're in Winnipeg. That is the concern. So, we can't build just for the doctors. Hospitals are not built for doctors, of course.

Now, there has to be discussion with these groups and there have to be admitting privileges in larger hospitals. This is something that is certainly being discussed by the Manpower Committee - I don't know if I've got the right committee, but some of these committees.

The situation, I think, would be just ideal for a place like Manitou, for instance. They would have 20 personal care beds that they haven't got now and that could be done with these six multi-purpose beds - they have 14 now. I haven't got these figures in front of me - they probably have the utilization, the occupancy probably. I don't know how great it is and then how many of them would be actually people who are paralysed who should be in personal care homes.

Oh yes, the schedule '83-84, for instance, they had 128 cases, and 65 and over, there were 63 of them. So, that's exactly half. — (Interjection) — Alright, but I'm talking about acute beds. I'm making the point what they need is personal care beds. We were saying awhile back, get the people in the right beds.

The days for those people out of a total of 1,560 days for everything, then they didn't have half, they had 1,225. It was only for all the remaining cases, there were only roughly less than 350 placed for all the others. I'm talking about the newborn to 12, and 13 to 45, and 46 to 64.

I think the board certainly understands. That is why you see them in that category. We're going ahead. It was approved by the board. I can understand that it's fairly new and people, knowing that hospital is there, there's been some reluctance. It was accepted by the board, whereas Vita has not. That's the difference. I want to make that quite clear that Vita won't advance until there is an agreement with the board. Right now, they're still discussing with the Commission at this stage. It will not advance until there's been that approval because we have all kinds of figures on Vita also.

I think that, all in all, it will be the best thing. I think they'll be very satisfied and it'll answer their needs

more than what is done at the present. They won't always depend on a doctor who might quit and then they'll have to recruit. A doctor could be accommodated with admitting privileges at a larger hospital near there. He'll have these facilities, and he'll have these six beds or so, in the case of Manitou, to have that flexibility in an emergency until they're transferred. Some of them are either transferred to Morden later on or even to the city at times to one of the teaching hospitals.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, that's an interesting analogy and, I suppose, when you've got a community that is used to having a larger hospital facility, they can't accept it as progress to have a reduction and, in effect, look as if they're going backwards. No doubt, that'll be subject to a fair amount of discussion in that community over the next several months.

Mr. Chairman, on to one other question on Page 4. Health Sciences Centre, the last item indicates a major upgrade of standby power. If I recall correctly, the City of Winnipeg is embarked on a study or a proposal to study waste disposal via heat generation. In other words, a garbage-fired steam plant presumably. They are saying that that is a feasible undertaking for the city and has obvious benefits in that you eliminate the need for bigger landfill sites. It has the advantage of making use of a waste product rather than having it become a problem in terms of landfill.

Now, the Health Sciences Centre, as it turns out, may well be an important customer for the steam as I understand the heat generation. The Health Sciences Centre, of course, has a pretty sophisticated system in place right now. Now does this major upgrade of standby power in any way represent spent money that would make the Health Sciences Centre less able to participate in the active pursuit of this garbage-fired or waste-fired heat generating unit? I almost answered my own question. If in any way this would lessen the Health Sciences Centre's ability to participate meaningfully in those negotiations or those preliminary discussions — (Interjection) — that's electrical? Okay then, if that's not in any way to affect the Health Sciences Centre's participation in discussions, could the Minister indicate whether the Department of Health, the Health Services Commission and the Health Sciences Centre are interested in pursuing that, becoming a customer for that kind of steam generation?

MR. DEPUTY CHAIRMAN, D. Scott: The Minister of Health.

HON. L. DESJARDINS: The consulting engineer who prepared the report did discuss it with the Health Sciences Centre, I'm told. The Health Sciences Centre said they would look at it if they feel that they could save money and that's where it is. They're ready to look at it.

MR. D. ORCHARD: In other words, it would appear as if the steam has to be cheap or else they might not be able to find a customer, which may have implications for the viability of the project and although we're talking probably in the wrong department here because we're

talking environment in some regards and Urban Affairs which this Minister also has.

It would seem to me that if they could come up with a proposal that was even close on providing the Health Sciences Centre with heat to the cost that they could put it in, that the Health Sciences Centre could generate their own - I think a project of that nature, if it's dependent on a customer like Health Sciences Centre, to be viable, requires some pretty serious thought and discussion with the government.

Those kinds of projects, in my estimation, are quite overdue. I think they are, in the long run, one of the best things that we can advance plan for and it kills a number of birds with one stone, not just two, but a number of birds with one stone.

So, I look forward over the next period of time, to discussions on that, to see whether it proceeds any further.

HON. L. DESJARDINS: I think my attitude on that would be, as the Department of Health and as Minister of Health we have to look at the best service for the cheapest cost, but then it could be a decision of Cabinet, who would say, well, fine, we want you to help to see if that could be done and, therefore, we want you to have the Health Sciences Centre as a customer and they would then accept to pay the difference if there's a loss. That decision would be there. I don't think the Minister of Health would make that decision as such. It would be a collective agreement of Cabinet. I think you can accept that.

MR. D. ORCHARD: That's exactly what I was getting at, Mr. Chairman, that even though that may not be a complete economic decision for Health Sciences Centre it may well be an economic decision for government to make.

Mr. Chairman, unless my colleagues have any other questions, I would just want to pose a couple more questions on the cost recoveries.

This year, the cost recoveries in Notation 1 indicate that it's not a direct recovery to the Consolidated Fund of the Province. Could the Minister indicate the nature of the \$710,000 in additional recoveries this year that are contributing to the reduction in the net program costs?

HON. L. DESJARDINS: I think it would be best to give you the 1984-85 and then the '85-86. The Northern Patient Transportation, the recovery was \$412 in '84-85, and there was an increase of 14,000 to 436 in '85-86 for a 3.4 percent increase; the Hospital and Medical, it was 2,678,000 in '84-85, an increase by 696,000 to 3,374,000 for 26 percent, a total of 23 percent.

MR. D. ORCHARD: Mr. Chairman, that's a recovery as it applies to the Medical Program line in the Estimates, and could the Minister indicate what the nature of that recovery is? What recovery was there last year and was has caused the 26 percent increase in recoveries this year?

HON. L. DESJARDINS: It's mostly under Hospital and it's largely Autopac.

MR. D. ORCHARD: How so? How so from Autopac?

HON. L. DESJARDINS: Well, they pay the bills, the third party . . .

MR. D. ORCHARD: Mr. Chairman, does that indicate more accidents and more bills recovered, or does it indicate a higher percentage of recovery?

HON. L. DESJARDINS: Actually in 1984-85 we recovered more than projected in the budget, \$585,000, and then the general cost increase in 1985-86 is 111, so that makes 696. The Northern Patient was all general cost increase, the 14,000, so there would be over-estimated over-recovery in '84-85, a total of 585, and general cost increases in 1985-6, 125 for the total of . . .

MR. D. ORCHARD: So in other words, the Minister is not expecting an increase in accident-related claims recoveries from Autopac, you're simply budgeting for an increase recovery based on increased costs?

HON. L. DESJARDINS: No, we don't try to project accident, it's just an educated guess over year for year and you can see that last year our guess wasn't that educated.

MR. D. ORCHARD: Mr. Chairman, probably the problem last year was that you brought in the seat-belt law and more people are injured because of them and your recoveries were higher.

Mr. Chairman, unless there are other questions or anything else the Minister would like to tell me about the Estimates tonight, we can probably pass the Health Services Commission and the Capital Construction line and go on to the Minister's Salary.

MR. DEPUTY CHAIRMAN: Hospital Program—pass? Minister of Health, do you have some more things . . .

HON. L. DESJARDINS: Mr. Chairman, last year I forgot something and we also have to pass the Expenditure related to Capital. Could we make sure we pass that this year before we go to Minister's Salary. — (Interjection) — Oh, did you? I'm sorry.

MR. DEPUTY CHAIRMAN: It's my understanding that we still have a few items in the Health Services Commission under Appropriation 7.

Hospital Programs—pass; Personal care homes—pass.

Resolution No. 89: Resolved that there be granted to Her Majesty a sum not exceeding \$994,678,200 for Health, Manitoba Health Services Commission—pass.

Under Appropriation 8. Expenditures Related to Capital - Manitoba Health Services Commission, (a) Acquisition-Construction of Physical Assets—pass; (b) Capital Grants—pass.

Resolution No. 90: Resolved that there be granted to Her Majesty a sum not exceeding \$30,095,800 for Health, Expenditures Related to Capital - Manitoba Health Services Commission—pass.

We revert to the Minister's Salary.

MR. D. ORCHARD: I'll just make a request, the Minister should have done this before they left. I always like to

go through the Reconciliation Statement to find out what programs were transferred. — (Interjection) — I know. I was just going to say that if the Minister would provide, in writing, the explanation of the Reconciliation Statement this year over last year, then that would be fine.

MR. DEPUTY CHAIRMAN: Appropriation 1.(a) Minister's Salary - the Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, we've had a reasonable discussion of the Health Estimates, I think, this year. We've had our share of disputes and arguments, but we've also had our share of discussion, which I think, if I can be so bold as to say if the Minister follows some of the good advice he received in the Estimates, he won't find himself in as much hot water in the Health Department over the next 11 months of this fiscal year. The Minister of the Environment, sitting over there boning up on his Estimates, could likewise follow the same sort of advice and could find himself in favour with the citizens of Manitoba.

Mr. Chairman, I do believe that the discussion has been useful. We touched on a number of areas of concern. We've dealt with some cost comparisons to other provinces, which indicate that there are areas that need investigation, that need further statistical analysis, because some of those cost comparisons to other provinces indicate that our system in Manitoba may well hold for us some savings if we can identify why we are significantly higher in certain areas than the national average. That's a challenge that this Minister will have to undertake over the next several months until the election and then I hope he does his homework well because somebody on this side of the House will have to carry on the work he's started.

Mr. Chairman, the Minister also identified and has been identifying over the last number of months that the demands on the system are growing; there are more demands on the system than there is money to fund them. That is something that is going to face this administration for the balance of its term and it's going to face the next administration, our administration, after the election. They aren't going to be easy problems to solve and they aren't going to be solved, Mr. Chairman, by some of the wild-eyed rhetoric that we have seen grace this House over the past number of years.

Mr. Chairman, in my opening remarks - and I don't intend to repeat a lot of them - I was particularly harsh with some of the Minister's colleagues, both former and present who, during their term in opposition, made no end of political hype on some of the perceived problems in the Medicare system. I have to tell the Minister that over his three and a half years to date, a lot of the same problems have continued to exist, and in a lot of cases have gotten worse, and we haven't been sitting up here on our side of the House, day in and day out, putting him through the grinder on it. That, I think, is a recognition by a responsible opposition that no government can solve all of the problems in the health care system.

Furthermore, it shows that on this side of the House there is a recognition of some of the problems inherent in the system by the sheer nature of its size and by the fact that the system is a people/service-oriented

system, dealing with the most important aspect that any individual has, that being his or her health or the health of their loved ones and their family members, a system that, when the problems occur, they can be exploited because you're talking emotions and personal feelings. I have to say that, by and large, we haven't exploited the emotional aspect of it, not nearly as much as was done in 1977-1981; and I don't think it's going to change the result of the election by the fact that we haven't done that, any more than it supposedly helped the previous administration paint an image of the Lyon Administration which, no doubt, contributed to its defeat.

Mr. Chairman, the Minister knows the problems that he's facing now and that he will continue to face over the next number of years and I hope he passes that message on to some of his colleagues who are going to be around after the next election so that they have an appreciation, a better appreciation of the health care system in Manitoba and some of the problems and challenges it's going to face, as we approach the '90s in Manitoba.

During the course of the Estimates we found that in some areas, for instance, in Brandon and Selkirk Mental Health Institutions, that the MGEA contract which was negotiated has put the Minister in a position where he has standing a sort of an agreement from Treasury Board and the Minister of Finance that he will be getting extra money so that his employees in those two institutions can be brought in line with the MGEA contract which gives them an extra week of holiday, etc., etc., things that aren't possible within the health care system without extra hiring, so that those estimates are underestimated and will have to be supplemented.

We discussed earlier today that the MONA settlement - and depending on the pattern in the other unions that are negotiating over the next number of months, if they follow a similar pattern to MONA and the MONA settlement, we will have roughly another \$16 million on the Health Services Commission line that we just passed tonight. So that these Estimates are not complete and will not be complete until those Special Warrants are passed.

Mr. Chairman, in the introduction of the Estimates, the Minister indicated that he would like to have said that the waiting list for personal care home placement was down, but he couldn't. The Minister is faced with the problem that today there are 400 more panelled patients waiting for placement in personal care homes than when he took over government. That, sir, is one of the reasons why, from time to time, we do in fact dig out "A Clear Choice for Manitoba" again and point out to this Minister of Health, but more importantly to his Premier, that that isn't exactly what they promised back in 1981.

They promised in 1981 to build the desperately needed personal care homes, but in fact what we see this year from March 31, '85 to March 31, '86, we're going to see a net reduction of 62 beds in the province, down to 8,320 and most of those reductions are in the Brandon area, about which we've had substantial discussion tonight.

Once again I point out to this Minister and to the First Minister, that that isn't exactly what the government promised but that is what is happening. We find out also tonight that when we talk about the Personal Care

Home line in the Estimates where the Personal Care Homes line is actually down slightly in this year's print estimate over last year's. We find the reason that he's able to keep the budget essentially the same is because of the increase collection of per diems by the personal care homes, some \$5.3 million.

The Minister also has in there a \$500,000 saving estimated from the takeover of the Pharmacare Program of the personal care homes which he says he hasn't made his final decision on. But, Mr. Chairman, it's increased per diems that is keeping the year-over-year estimate for personal care homes the same, something that I remind this Minister and this government of - and there's only one other fellow in here that was here back in the Lyon years when they howled and screamed and yelled about the increase in per diems that were proposed by the former Minister of Health; but I point out to the Member for Ste. Rose, because I know he's listening intently, that when he complained so vehemently in 1981 about a schedule of increase in per diems to personal care home residents, I remind him that this year his Minister's almost entire increase in budget for the personal care home system in Manitoba is coming from those increases in per diems, something that he fought against when he was in opposition. Now the Minister of Health is funding most of this increase.

Mr. Chairman, it has been pointed out that the Member for Ste. Rose on this issue today is hiding under a canvas and that has sort of a familiar tone to it - doesn't it? - when we heard the terrible treatment that the Member for Ste. Rose had whilst in hospital when he was in opposition. — (Interjection) — I don't think he was on his elbows, Mr. Chairman. He was supposed to be sick in the hospital.

The Brandon area has, as I say, been singled out for most of these reductions in personal care home beds. As well, we have dealt on several different occasions on the growing waiting time for elective surgery in the Province of Manitoba. The physicians in Brandon held a press conference just a couple of weeks ago and they point out that today the waiting time for elective surgery in their community has increased to six months, and even urgent cases have to be put off for more than two weeks.

They further point out the diagnostic services in the Brandon Hospital require up to a nine-week wait for a CAT scan. Those are dramatic increases and they use the figure of 1976 in their press conference, but those are fairly substantive increases since 1976 in terms of waiting time. Those same Brandon doctors are concerned about their ability to operate the Brandon General Hospital as a regional health care facility to serve the Westman region.

We know that the hospital beds are backed up by geriatric patients and it's even been mentioned in the Minister's Capital Report where, on Page 7, he says, "As I've indicated in the past, Winnipeg appears to have a particular problem in the number of block beds at the acute and extended treatment levels, as well as the increasing pressure on the personal care home program.

"That problem has been growing substantively and the resultant blocking of acute and extended treatment beds in our hospitals are causing the very delay in the elective surgery that we see commonly complained about throughout Manitoba, most recently in Brandon.

"The overflow from those backed-up beds ends up with a situation from time-to-time where emergency wards are populated with people in the halls, patients in the halls, because there is no room and no acute care beds in the facility. Most recently that happened some two weeks ago at Misericordia."

Now we move into the Children's Dental Program and we see the Minister budgeting a fairly substantive saving. He may have to go back to Treasury Board, depending on the decision that is made, but this Minister singled out the Brandon School Board as the culprit, by and large, for the delay in the implementation of the Children's Dental Health Program in both Brandon and Winnipeg and put substantive pressure on them when indeed, as I maintained during the discussion of that line in the Estimates, that the Minister did not undertake negotiations with the Brandon citizens. I suspect even the Member Brandon East - the other Cabinet Minister from the area - probably was not fully aware of the feelings out there in Brandon as to how they wanted to implement the Children's Dental Health Program.

I think, Mr. Chairman, that logically and legitimately, the Minister will find a lot of merit in delivering in Brandon the dental health program, the Children's Dental Program through the private sector. It is beneficial to the community in terms of their ability to maintain a strong, viable dentist base out there, something they had worked on for a number of years to develop and they certainly see threatened by having their program of Children's Dental Health delivered by the dental nurses and not by the private dentists.

So, Mr. Chairman, that's a problem right now that the Minister is wrestling with to resolve. It may well be that neither Winnipeg nor Brandon receive the Children's Dental Health Program simply because of budgetary controls and shortage of budget. The Minister is nodding his head and saying no, but last year's money was reallocated and ended up in, I believe, the mental health sector.

Now, Mr. Chairman, that decision will be made. I recommend to the Minister what I said during the debate on it. I think there is substantive merit in the school board's decision to wish to participate with the program delivered by the private dentists and not by the dental nurses. They've got facility problems out there because Brandon is a growing school division and it just makes good sense to have the program delivered out there by the private dentists to maintain a strong base to serve the Westman region in the dental sector.

Mr. Chairman, the Minister, over the course of the last few months, in particular has introduced some new user fees in the system. The non-panelled chronic care patients who are in our hospitals are now subject to the per diems. As well, in that same announcement, any resident of our mental institutions who has been there for one year or longer is subject to that same per diem of \$15.25 per day.

Now that, Sir, has represented a fairly substantive increase in terms of new revenues to the government. I believe that it's about \$3.4 million that the Minister is estimating that's going to come out of those two new groups that are subject to the per diems. \$1.7 million from the mental patients and, I think, \$1.8 million from the chronic care patients in the hospitals.

As well, Mr. Chairman, as I pointed out earlier on this evening, the per diems have increased by 42

percent since this government was elected and since this Minister has taken over responsibility for the Department of Health. That flies in the face of a commitment made by the Premier, when he was Leader of the Opposition, when he also was decrying the schedule of quarterly increases in per diems; where the then Leader of the Opposition, when he was Leader of the Opposition said that they would not institute a schedule which would increase per diems above the Consumer Price Index.

Well the Consumer Price Index, since this government was elected in 1981, has gone up by some 19 percent and the per diems in the personal care homes have gone up by 42 percent. And as I mentioned earlier this evening, almost the entire cost of this year's increase in personal care home funding by the Manitoba Health Services Commission has been covered by the increase in per diems for this year.

So not only have we got the per diems increasing at more than double the inflation rate, but we've also added a new group of Manitobans who are subject to those charges. That has represented significant new revenues to the Department of Health and to this government to fund health.

Next year, in discussion of these Estimates, the Minister has indicated that there will be an additional \$4.3 million available to the Minister of Finance in terms of the — (Interjection) — that's right, but it's coming from people in the personal care homes and the mental health institutions that normally got the property tax rebate and under a Cabinet-approved program, that money will not be refunded to them in the future and will represent a \$4.3 million saving to the Minister of Finance, to the government, and presumably, can provide \$4.3 million in additional money to spend on health care in Manitoba.

Mr. Chairman, the patients of the chiropractic profession have been cut back in their availability of services by \$300,000 by this Minister this year. He has talked about increasing the number of visits that an individual would have, but by changing the family available visits, he is saving \$300,000.00. That is a reduction in the amount of money this government is spending, supporting those Manitobans who require chiropractic care and treatment. That \$300,000 is coming out of the pockets of Manitobans.

Now, Mr. Chairman, in discussion of the Estimates we discovered that Manitoba is under-standard in terms of the number of intensive care treatment beds per thousand of population, and even being under the national standards for intensive care unit beds in the Province of Manitoba, we find that the existing beds, even though they're not up to the recommended standard of national numbers for intensive care unit beds, we find that periodic shortages have caused recurring problems in staffing the intensive care beds.

The Minister has introduced two programs to bring on more public health nurses and to bring on more physicians with specialty training of use to the department, to overcome a perceived shortage in those two categories, but yet I don't believe there's a similar program to alleviate the problem of intensive care nursing staff - but that problem exists and is there.

Mr. Chairman, we find in the recent weeks that the operating theatre, one of the operating theatres in the Health Sciences Centre has been closed temporarily

because of shortage of staff, this at a time when we're spending \$1 billion on health.

Now, Mr. Chairman, the Minister has raised the expectations in the field of mental health and he's raised the expectations of those people involved in the delivery of mental health by his adoption approximately a year ago - his government's adoption approximately a year-and-one-half ago - of the Pascoe Report, in which most of the recommendations were accepted and my memory doesn't serve me well right now but there was one particular one that wasn't accepted. It was the amalgamation of the — (Interjection) — Alcohol Foundation of Manitoba as being amalgamated as part of the department. That was the only recommendation that presumably the government took umbrage to in terms of the Pascoe Report.

Yet, Mr. Chairman, we see the government raising the expectations of those people in the field and particularly they were focusing on the Pascoe Report recommendation that some \$5 million per year be spent for the next five years on mental health, particularly in the Community Health Program, the de-institutionalization of mental health if you will.

Now, this year we find the Minister raised the expectations that there could be upwards of \$5 million by the government's agreement, Cabinet's approval of the Pascoe Report. We find that less than \$1.5 million has been spent this year on new initiatives for mental health. Now originally, part of it was deemed to have come from the reduction in service on the Children's Dental Health Program, but this year the \$1.45 million that was announced by the Minister was indicated to be a new initiative.

Mr. Chairman, that wasn't even the amount of money that the Minister is now collecting from the mental health field in terms of the implementation of his per diems on the long-term residents of the mental institutions. He's collecting \$1.7 million this year on per diems of 15.25 per day right now increasing throughout the year, for a total of \$1.7 million in direct collection from the mental health system. He's replacing it with \$1.45 million to undertake some of the new initiatives the Cabinet agreed to in the Pascoe Report.

That, Sir, is why the people in the mental health field feel somewhat let down in that their expectations were raised by the government, by the Minister, by this Cabinet and then they find that there's less than \$1.5 million in new initiatives, all of which - if you wanted to make a straight number transfer - all of it and more, came from the mental institutions in terms of per diem charges on the long-term residents in those institutions. So, the mental health community does feel somewhat let down, somewhat betrayed because their expectations were raised and then shattered.

Mr. Chairman, we discussed over two different days the loss of our School of Ophthalmology at the Health Sciences Centre. It lost accreditation last year and to date we have lost up to four of our ophthalmologists. That, sir, is going to represent, over the long haul, a quite significant loss to the ability to deliver proper and excellent eye care in the Province of Manitoba. You can't lose some of the best in the field without having the institution of a mediocre or average run-of-the-mill service. We had, I think, over the past number of years, an excellent service. That has been certainly lessened by the loss of our accreditation for the School of Ophthalmology at the Health Sciences Centre.

The Minister indicated this afternoon that it is certainly the government's intention to investigate whether they can reinvigorate the School of Ophthalmology and possibly regain the accreditation.

Mr. Chairman, that is going to take a substantial injection of money and I would submit probably more money to reinstitute the program than what it would have cost in terms of additional funding to maintain the program and to maintain the accreditation at the Health Sciences Centre.

Mr. Chairman, we dealt lastly with the Capital Estimates in the Health Services Commission and we find that a number of things are approved and a number of things are planned and a number of things are going to be started over the next year and a half in terms of health facilities.

Mr. Chairman, I think the most interesting thing was on Page 7 where the Minister announced more or less an emergency funding program of \$17.5 million, which would end up with fairly rapid approval of up to 250 beds of acute extended treatment or personal care level beds in the Province of Manitoba - that in addition to the regular Capital Program.

I think, Mr. Chairman, the kindest way to describe that \$17.5 million of special funding in the Capital Estimates, is a move of desperation by a government that's within a year of an election, maybe less, maybe more, and a government that got elected telling Manitobans that they had a clear choice; telling Manitobans that they were going to restore the health care system; telling Manitobans that they were going to build desperately needed personal care homes; that they would put care before profit; that they would not allow the deterioration of the health care system.

That promise, Mr. Chairman, as I mentioned in my introductory remarks and I mentioned maybe a couple of times during the Estimates, was one that most Manitobans believed that the NDP could deliver. I don't think any Manitoban elected this New Democratic Government to perform better in terms of economic guidance in the Province of Manitoba, because I don't think most Manitobans believed that they could run a better economy or offer support to the economy better than the previous administration could. That isn't the forte of the New Democrats, never has been, never will be.

So, most Manitobans didn't elect them to see more jobs created; to see a stronger economy; to see more investment in the private sector - they didn't elect them for that. They didn't elect this government because they believed they were more competent administrators of government, more able to run the affairs of the province in an efficient way and in a way that would make Manitoba a credit nationally. I don't think anybody elected this government to do that because most Manitobans don't believe they can.

The one thing most Manitobans did believe this government could deliver on was health - care and not cut-backs. What we have seen over the last three and a half years is that they haven't even been able to deliver on that. Mr. Chairman, that is going to be a

failing that this government is going to have to reckon with and deal with over the next couple of months before they call an election, if they call it within the next few months. That is an election promise that most Manitobans believes would be fulfilled.

I think that we can demonstrate on a number of areas and a number of occasions where it hasn't been delivered, that, in fact, as the newspapers have said - and this isn't me saying it - this is the newspapers. December 23, 1983, "Hospitals in crisis." That isn't us saying that, that isn't an opposition saying that. That's the media investigating the performance of this government saying that.

As I pointed out, the areas that were pointed out as being problematic in 1983 in December are still there in as big a problem and as an extensive a problem then now as they were then. It proves, sir, that this Minister has tried hard, has tried diligently but, unfortunately, he has not been able to live up his Premier's promise of health care and not cut-backs solemnly pledged and believed by most Manitobans that this government could deliver.

Mr. Chairman, I look forward to ongoing debate with the Minister and, hopefully, we can resolve some of these problems over the next number of months, but the Minister has not lived up to what Manitobans expected or to what his Premier had promised.

MR. DEPUTY CHAIRMAN: 1.(a)—pass.

Appropriation 83: Resolved that there be granted to Her Majesty, a sum not exceeding \$2,638,200 for Health, Administration and Finance—pass.

Committee rise.

Call in the Speaker.

IN SESSION

The Committee of Supply has adopted certain Resolutions, directs me to report the same and asks leave to sit again.

MR. DEPUTY SPEAKER, P. EYLER: The Member for Inkster.

MR. D. SCOTT: Mr. Speaker, I move, seconded by the Member for Rupertsland, that the Report of the Committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker.

I would like to move, seconded by the Minister of Health, that the House do now adjourn.

MOTION presented and carried and the House accordingly adjourned and will stand adjourned until 2:00 p.m. tomorrow (Tuesday).