

LEGISLATIVE ASSEMBLY OF MANITOBA
Tuesday, 29 April, 1980

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY
SUPPLY — URBAN AFFAIRS

MR. CHAIRMAN, Morris McGregor (Virden): I call the committee to order. Resolution 119, 1.(c)—pass — the Honourable Minister.

MR. MERCIER: We always end at 4:30 p.m. on a question from the Member for Wellington. His question related, Mr. Chairman, to amendments to The City of Winnipeg Act. I fully expect to bring forward at this session of the Legislature, amendments to the Act and the member will have to await the introduction of that bill in order to determine what will be in it.

With respect to conflict-of-interest legislation, I can indicate to him, I think, as I indicated in the House the other day, that we received the submission from the City of Winnipeg, either in late 1977 or early 1978. Because the city of Winnipeg expressed a concern that there should be a bill for all municipal officials, I forwarded that bill to the Union of Manitoba Municipalities and the Manitoba Association of Urban Municipalities for their comments. I followed up again with another letter to them when I didn't receive a response after some time. I am informed that, particularly the Urban Association is looking at the report now, but I have no knowledge of what, if any, recommendations they intend to make.

MR. SPEAKER: The Member for Wellington.

MR. CORRIN: A collateral to that, Mr. Chairman. I would ask what the Minister's inclination and disposition is.

MR. MERCIER: Mr. Chairman, the member will have to await the bill in order to ascertain that.

MR. CORRIN: Perhaps I could put it this way: Has the Minister changed his position from 1976, 1978 and 1979? I don't think, Mr. Chairman, it is anything but a matter of record that the Minister has always felt that conflict of interest is not a primary concern. I think he has been quite forthright in that he's, on several occasions while sitting on City Council and in the Assembly, indicated that he did not personally feel inclined to attempt to legislate in this particular area. As a matter of fact, that has been the subject of a number of newspaper reports in the past, I don't think it's necessary to go into all the detail of that. But I think in view of the fact that this matter has now been in the public forum for some three-and-a-half or four years — I can note that in May of 1978 during these same estimates the Minister said that he would be taking a look at this type of legislation, he would be considering reform. He indicated that the government was looking into it.

That was some two years ago, Mr. Chairman. One would presume, in view of the fact that the matter has been under study for such a great length of time, and that we have a comprehensive commission report on the subject — this green volume which I would be pleased to share with any member present contains the recommendations, as I mentioned this afternoon, of the Winnipeg Commission on conflict of interest, which was tabled at Winnipeg City Council in 1977. It was sent on to the Minister of Urban Affairs with the recommendation that it be enacted uniformly throughout Manitoba. I believe that it received the endorsement of Winnipeg City Council at the time. It was accepted as a valid comment on the situation. I think all councillors accepted it as making constructive recommendations towards reform in this area.

So I would be very pleased if we could find out what the Minister's inclination on this subject is, Mr. Chairman. I don't know that at this juncture it should be anything but a matter of public record. Has the Minister changed his mind in the intervening two or three years? What position does he take today, and what is he going to do?

MR. MERCIER: Mr. Chairman, the reason I sent the proposal out to the two municipal organizations is, as I explained, the proposal was that it be applicable to all municipal officials in Manitoba, and it seemed to me, in view of that, the two main organizations should be allowed to review it and submit their comments. The city of Winnipeg is a very important member of the Manitoba Association of Urban Municipalities and has a number of representatives in that association; a number of city councillors have been president of that association. It would seem to me that their having passed the original proposal and being an important part of the Manitoba Association of Urban Municipalities, they would have pursued the matter with that organization and encouraged and persuaded the Association of Urban Municipalities to make a recommendation. I wish they would have made one by now, Mr. Chairman.

At the same time, as the Member for Wellington points out, it is a matter of public record that while a member of City Council, I voted against establishing that commission; I voted against their budget; and I voted against their recommendations because I felt that kind of legislation is almost a presumption that all politicians are guilty of something and they have to prove their innocence. Secondly, I don't need a commission to tell me what I think is right or wrong.

I have since said, and I think it's again a matter of record, what does concern me, however, is that allegations of conflict of interest can be made and have been made in the past without any substantiation, and as a result of allegations, elected officials are perceived to be guilty of some offence and there is no mechanism or form for their demonstrating that they have . . . —(Interjection)— Some are suspended for their demonstrating that

they have not been guilty of a conflict of interest. So what the proper method of allowing an opportunity for that to occur is something that I have been giving some consideration to.

MR. CORRIN: In response to that, first of all I am not going to commend the Minister for his consistency, but I would indicate that his candor should be commended. I think that he is being absolutely candid when he advises us of his past position and the fact that he has not altered his point of view in that respect.

I would remind him, and I would urge him gently to remember that if we are going to protect honest public representatives from unjustified public condemnation or circumstances that may lead to that sort of public perception of the official, then the recommendations made by the Rhodes' Commission into Conflict probably represent the most constructive and position avenue of reform. Chief Justice Rhodes Smith, in his report, pointed out that most conflicts of interest relate to a question of suspicion and devolve from situations where people perceive potential circumstances where there is a personal financial benefit that may be conferred upon a public official. It is that suspicion, of course, that ultimately gives rise to the public condemnation which perhaps the Minister correctly characterizes as being unjustified.

The Smith Commission recommended that disclosure was the only adequate safeguard to protect the reputation of the individual, the idea being, that once an individual's holdings and obligations, debts, whatever, were known, as long as that individual made an honest and candid disclosure and was willing to abide by the objective standards set down in the conflict guidelines embodied in the legislative provisions, that the individual had nothing to fear, that he or she would be able to simply refer to the guidelines of the legislative provisions and in all circumstances know what the proper course of conduct was.

They pointed out in the report that right now the situation is such — and I'm being repetitive now, Mr. Chairman, you'll have to excuse me because I think we went into this area this afternoon — that right now there is no mandatory requirement that there be a disclosure. Some councillors are punctilious in this regard. Some councillors, as I'm sure several of us will remember, on virtually every occasion when there could possibly be any sort of conflicting situation, rise in their place and indicate that they are abstaining from the vote because they may have a conflict of interest.

Others have chosen, as I think Councillor Ernst admitted he had done on numerous occasions with respect to Martel-Stewart, to leave the room when a matter was being debated or voted. I suppose that represents a certain standard of fundamental decency and ethics. There's no obligation in the act that a councillor declare the nature of the conflict, so sometimes — and I think it's true; I think we'll remember situations like this — it's the virtuous soul, the lady or gentleman who stands up and says, I'm abstaining because I may have a conflict of interest, and doesn't vote, that has to bear the burden of the most suspicion. It's that individual who, by virtue of making such a declaration, then becomes suspect.

People are wondering what it is that the conflict may be, and there's all this sort of suspicious backdrop that flows from that sort of action.

So it seems to me, that we in this jurisdiction should consider doing, Mr. Chairman, what they have done in other jurisdictions. I'm not an expert on it, but I believe that in Ontario there's legislation of this sort affecting municipal government. I stand corrected, but I'm fairly certain that it's essentially along this line, based on disclosure as recommended by the Winnipeg commission. I don't know that the problem will ever disappear until we have something in place that will give municipal representatives some objective guideline through which to govern their personal affairs.

It seems to me that anything else is simply unenforceable, and in this regard Winnipeg City Council hasn't been totally remiss. In 1973 there was an amendment to, I think it was the Civic Procedure By-law — again I stand to be corrected, but I believe it was the Procedure By-law — that required that councillors table with the City Clerk declarations to their personal real estate holdings. Mr. Chairman, this has, as I am sure Mr. Chairman will appreciate, has been a bit of a farce. Just before Mr. Chairman came to join us on city council just after the 1977 election, one of the councillors from the St. Boniface Community District refused to file the declaration in accordance with the Procedure By-law. I think it is a matter of record that one councillor, George Provost, simply went on record as refusing to do it and he challenged the authorities to do something about it and I think the point he was trying to make, for better or for worse, was that he would simply refuse to capitulate unless the authorities could enforce the provision. And he pointed that essentially it was toothless, there were no penalties attached to the regulations, and I guess he made the point in a somewhat graphic manner that it was unenforceable, that it was just a paper tiger.

Mr. Chairman, obviously something has to be done on a uniform basis that will pertain to all municipal representatives fairly and equally, and whatever it is that we do has to be enforceable. There have to be, as the Smith Commission has recommended, some penalties attached and it has to be clearly understood what the penalties are. It seems to me from studying the Ernst case that there are, I suppose, possibly a number of legal interpretations available in the Ernst case as to what the proper penalty might be and I presume that in the next few days the Minister in his capacity as Attorney-General is going to be tabling a report from his department in this regard, but it won't surprise me if the situation is not unambiguous. I know that because I know that having studied that act when I was still a councillor, one could only conclude that it was murky to say the best, it was simply full of ambiguities and seeming non sequiturs. It sets off in the right direction but then it doesn't quite fulfill its promise.

Mr. Chairman, it is that we are asking the Attorney-General to consider. It seems to me that the time has come. I share with the Minister his concern that no more persons, public representatives' reputations should be left to suffer as a result of inadequate or deficient legislation. It seems to me that we should do something in order

to enhance the prospects of all those who serve our citizens in publicly elected office.

MR. DEPUTY CHAIRMAN (Mr. Gary Filmon): The Member for Wolseley.

MR. R. G. (Bob) WILSON: Under this conflict of interest report of Mr. Rhodes and what the Minister is bringing forward, I would sincerely hope that he would be dealing with the senior, besides the municipal officials, with senior civil service personnel as well because under the former government nepotism was kind of rampant and there were a lot of cases where we — myself personally got in a lot of heated debate over the number of relatives working for and by the government or whatever, and I am sure that probably the opposition has been pointing to it under our particular government. I felt that I didn't get anywhere at all when I brought forward the Osborne Bridge property acquisition and the involvement of a land-locked piece of property of which the government justified buying it through the city. They stayed at arms length because they had the city buy it and they've stuck a great big piece of the bridge on it, but that land-locked piece of property was not even worth 30,000 and the government paid 85,000 for it.

I argued at the time that senior civil servants should be subject to the same conflict of interest observations that we have and I think maybe if we want to be entirely fair to both the civil servants and to the elected politicians, that maybe an arms length type of department should be monitoring this and be the basis of which other politicians could go to so that this gentlemen, for instance say I was to pick the Ombudsman Department, say the ombudsman was his department, he's had a declining amount of complaints. Say his department as an example was to handle the conflict of interest enquiry part of it, so that if he felt that some particular elected official or senior civil servant was walking on fairly thin ice, or a very tenuous situation at best, that he would call him in and warn him or possibly talk to him about the appearance of whether his wife or his brother was involved in a particular corporation or what have you.

I remember in filing my holdings with the city that it became public record and I thought it was of some amusement because it did not include your corporate holdings as well, it just said your personal holdings. So you listed your private home and your stock portfolio and a few other things, and I looked with interest that at the time I filed that I had a lot of CP shares and CPI investment warrants, all of which became worthless and they would put me in a bad position in voting on the rail relocation. But I put down on the record to show that what you have, if you don't go all the way down the line involved in the corporate structures and the arms length corporate shells that are set up without somebody being able to call that information forward, because I would like to know — the only trial that seems to take place on public officials now is through the press, through the media, and I would like to have them replaced by the ombudsman or somebody. Somebody that could look at it and decide whether in the case, the Ernst case, whether in fact it was a Mickey Mouse situation or whether it was really something of a serious nature. I would like to see the situation where a

particular law firm would be able to do business with the government up to a certain amount of money, because I would hate to have the Member for Inkster and others be excluded from doing business with the government up to a certain amount of money a year, so that it's fair — the fellow and his firm must be able to continue and no better than before they were elected.

I would like to see whether a fellow is an architect, an engineer, or whether — because if you want to carry it to the bottom line, many school teachers run for office knowing that full well that after their political days are over that they'll be in line for an inspector's job or possibly a principal of a school or something. There's a certain amount of — (Interjection)— well there's that part of it too. You could become like the Member for Elmwood says, but I just say you can carry the conflict of interest too far and I would like to see some arms length part of government investigate it because it does involve a lot of research. I attempted several times myself. I remember at the time complaining when the former mayor made a very giant sort of blunder, in my opinion, in that he got on radio and television announcing at the sod-turning ceremony of Winnipeg Square and Trizec, how wonderful we were going to be in this huge global impact of this massive situation called Winnipeg Square. Unfortunately the expropriation notices hadn't been served, and many people ran out and signed long-term leases and began to draw together huge plans for expansion. I believe the Carleton Club had massive architectural drawings of expansion of which we, the taxpayers, got bilked for. I remember a furniture store signing a 20-year lease with his wife. I remember lawyers pouncing on an old business associate because he owed something like 38,000 on his mortgage. They wanted him out of there, and wanted to foreclose on the mortgage because they knew they were going to get 80,000 for the building. That's the kind of thing that really turns me off, that there has to be a look at that aspect of it too, which is sort of drifting away from conflict of interest.

There are a lot of things that contribute to a waste of taxpayers' money or errors that are made. As I say, my experience has led me to believe, when I started searching out these corporation and everything, that it calls for a separate sort of semi-autonomous situation like the Ombudsman's Department or like the Consumer's Bureau or like — (Interjection)— Well, not a media person, somebody that could look and do the work that is involved in tracing out all these corporate shells, because a lot of them are held in trust and a lot of things have to be searched out and pockets have to be examined — it's quite a bit of work.

I think that a government and politicians of whichever party — and I've changed my opinion, I've stopped becoming a member of that group that goes out looking for particular problems, because unless they are brought to me on a complaint basis, I don't think I'm going to spend my entire life down at the company's branch searching out from the Public Accounts every corporation that does business with the government to see if some relative of . . . The Member for Inkster is right, that's what I used to do, and I'll be the first one to admit it.

I think that somebody other than myself has to do that, because I have to be looking after — besides Public Accounts — I have to be looking after the needs of the Wolseley Constituency.

I would like to see, if not the Ombudsman's Department, some other separate group of people, civil servants or whatever, that would be the body that would look at all municipal officials in the province and all senior civil servants, all MLAs, and any complaints that are brought forward by the media or by the citizens of Manitoba. In that way, a lot of it could be in-camera and a lot of it could be trial on facts rather than on something that might not be completely fair to the man's future or whatever.

I hope that the new Conflict of Interest bill that comes forward also includes, besides elected officials, senior civil servants and heads of departments.

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: Mr. Chairman, I do have an interest in the subject under discussion, because I regard it as a subject which can be discussed completely on a non-ideological basis, that different people in different groups will have different opinions on it. I want the Minister to be aware that someone is concerning himself with what his position was three or four years ago. May I say that the government three or four years ago had a very ambiguous position and finally resolved itself in favor of not bringing forward any legislation. As a matter of fact, the New Democratic Party Government presented a bill. That bill was discussed in committee; it was discussed in the Legislature. After intensive discussion, Mr. Chairman, we came to the conclusion, or at least there could be no conclusion to bring the bill forward, because nothing that was demonstrated to us as being conflict-of-interest legislation which would protect the integrity of the elected representatives and protect the integrity of the public was shown to be more satisfactory than the existing situation. This is not to say that the existing situation is satisfactory.

Just slightly off the point, merely by way of analogy: We have politicians running around the country right now saying that there is a group opting for separation or a sovereignty association, that there is a group opting for a renewed federalism, but nobody believes in the status quo. I mean, you have that said continually, that the status quo is acceptable to nobody. My problem is, Mr. Chairman, I haven't heard anything better than the status quo, and until somebody shows me something better than the status quo, then the status quo, to me, is more acceptable than anything that has been shown.

What we had with the disclosure legislation, Mr. Speaker . . . First of all, let me try to be as holy as everybody else, and that really will be ultimately judged, not by my fellow members, not by courts, but by the public. I believe that nobody should use his public position for his personal benefit. I believe that that is something which we should all respect and that the public will respect. I don't know of any law that will enforce that, and when the Member for Wellington says that it will never disappear until we do something, if I was satisfied that the problems would disappear if we did do something, I would vote

for it. But nothing has been presented to me which will make the problems disappear.

Let's for a moment examine the disclosure — and by the way, again so there is no misunderstanding, the former Premier finally resolved on a compromise — each of us had to submit to him a list of our holdings, so that he would know, and we would know that he would know that anytime a subject came up on which we were voting and on which we had holdings, that it would have indicated a conflict.

I suppose that the disclosure provisions that are being referred to would be somewhat along those lines, although they could be more or less sophisticated, but where do you go, Mr. Chairman? The bill that we presented, and I remember it, said that we had to disclose our assets; we had to disclose our wife's assets. This being pursued by the same people who say that you have nothing to do with your wife — and I'll tell you, my wife won't tell me what her assets are, so I would be disqualified from sitting in the Legislature because my wife is a human being and a citizen, and will not tell me what her assets are. And by the way, one of the wives of the Members of Parliament took exactly — I think it was John Crosbie's wife, who I know very well, and I respect John Crosbie's wife; she was right, and the people who were legislating that she had to tell the government what her assets were so that her husband can sit and hold her portfolio, were wrong.

Let us assume that your wife is a chattel, as these people would have it, and that you can disclose your wife's assets, then, Mr. Chairman, what about your mistress's assets? Aren't you in a more difficult position, Mr. Chairman? Should we not include mistresses' assets? —(Interjection)— Well, Mr. Chairman, maybe both, because perhaps the physical will say just how much the financial means. Then, Mr. Chairman, after we had cleared away the problem of the mistresses, I think that the best point that was raised in this whole argument was raised by the Member for Winnipeg Centre. The Member for Winnipeg Centre said, I would love to have assets to disclose. He said, if you really want to know where a person's conflict of interest lies, don't ask him to disclose his assets, ask him to disclose his debts, because that is a very big problem, Mr. Chairman. That is a much bigger problem than assets. A person with assets may not be so pressured as to let that bother him one way or the other. I sincerely believe that my shares in Inco and in Hudson Bay Mining do not cause me to favor those companies; I really don't. I think they will agree with me; I think that they will confirm that. I think that my shares in the Royal Bank do not cause me to favor that bank; and my shares in Great West do not cause me to favor that — I am a very small shareholder in Great West — do not cause me to favor those companies when I am voting. If I didn't have any of these assets and I had lots of debts, then voting on those questions and the question as to how I voted, I would be subject to far more suspicion on the basis of those things.

Mr. Chairman, I do not believe that you can legislate honesty or integrity. I think that there are rules by which people can be disqualified. Most of those rules have brought into their web the most innocent of situations. Who last remembers a legitimate conflict of interest case, disclosed by the

rules where somebody lining his pockets has lost public office? I'll give you four cases — (Interjection)— And he was re-elected, exactly. No, he was re-elected, Mr. Chairman. Hawryluk was voted out by the courts and elected by the public. Mr. Chairman, then what was the public perception of that person? It wasn't down; it was obviously up.

I'll give you another example of it: I think that what Jack Davis did was reprehensible, I really do. I really think that taking a first-class ticket from the government, flying economy and pocketing the difference is reprehensible. That's what he did. He was re-elected in the next election, in British Columbia, and I think he was re-elected because an issue was made of his disqualification for this reason, and that the disqualification might have done — Bennett's throwing him out may have done him more political good, and that if it had been left alone, that here was a man who was disclosed as having done this, and there was no prosecution; he was not convicted and sentenced; that I think there would be less of a chance that he would have been elected, because the public would have judged him for the act and they would have ignored the punishment that he had to undergo in terms of being convicted and what have you.

However, I'm not trying to make a case for that type of activity. I am merely saying that, look at your rules, and I can give you, Mr. Chairman, four examples of this web that was caught by the existing rules. One was a man by the name of Fred Malashewski, a school trustee in Transcona. He went to a convention, and I think accepted a per diem, which was the same amount that he would get if he was working on the railroads, and there was a conflict of interest leading to a disqualification which subsequently went to the courts and was appealed and he was reinstated. But a strict interpretation caught Fred Malashewski.

Steve Derewianchuk worked for Hydro, and we looked at it in the midst of our term and said, This man may be disqualified, and there was a whole question as to whether Steve Derewianchuk, who worked for Manitoba Hydro as a lineman, couldn't sit in the Legislature because he was employed by the Manitoba Hydro. I think that the Act was amended to make sure that wouldn't apply.

Wally McKenzie, I think, sold groceries to somebody on welfare and received a welfare cheque. Am I wrong about this one? I'm almost certain that I'm right. The Chairman is nodding his head in agreement. There was a technical disqualification on the basis of that.

Gabe Girard was a member of the Welfare Advisory Council when he ran for office, and you were supposed to decline before you ran, things of that nature. —(Interjection)— Henderson got something from a tenant or something, yes.

Mr. Chairman, sure it's desirable to try to do something, but I am with the Minister. I want you to know — if you are worried that everybody says that you voted against it two years ago, you're terrible — I want you to know I am proud of you for not succumbing. And I am proud of George Provost. What did he do that was wrong? He said, I am not going to declare my assets. I will go to the people of my constituency, tell them that I am not willing to declare my assets, and let them judge me. What

could have been more a sign of integrity than what he did? He said, I do not agree with it; I am willing to be judged by it, and if what I am doing is terrible, then it will have to be shown to be terrible more than in the eyes of people who say that we are able to legislative morality, all we have to do is have a set of rules. It will have to be judged by the people of my constituency. There's nothing wrong with that, absolutely nothing wrong with that.

I want to tell the Minister — and, you know, who is caught today? This afternoon in the House I discussed a reprehensible procedure that was taken by the Government of Manitoba through its Minister of Northern Affairs, and on this type of silly thing, Mr. Chairman, when there was no justification for it. I'm not going to go into it; I will be dealing with that in the House again.

I tell the Minister that if he is thinking of a bill, then let him not assume that, like politicians today are saying, that the status quo is acceptable to nobody constitutionally, and therefore we don't know what we are going to do, but we're not going to have the status quo. I tell the Minister that the status quo is better to me than the unknown that I am going to. The status quo is not entirely satisfactory. I will never agree, Mr. Chairman, and I am only one member and I will try to convince others, that you should have rules that say that a politician who is guilty of a conflict of interest is thrown out of office and cannot hold office for seven years, which are the rules we have in many of our statutes. Why do I say that, Mr. Chairman? Because I am a very cynical, suspicious person. I say, maybe the public can't get rid of me, but judges can. All they have to do is find that I am guilty of something that I didn't do, and not only am I disqualified, but I can't run again for seven years. If I ran again, I'd be elected. So I say that each one of them has to look and say, that whatever conflict-of-interest rules are made, and I still have to wait to see what the Minister is coming up with, that no conflict-of-interest rule should prohibit the man from seeking the approval of the court of last resort, and that is his electorate, and that if some judge disqualifies him, that he shall be immediately eligible to go back to the people and say, the judge was wrong and I am right. Because too often, the judges have been wrong and have ruined people by virtue of those types of laws.

So Mr. Attorney-General, I am not in approval of everything that you do. As a matter of fact, if we had to count, the scales of justice would lean on disapproval, perhaps in many areas. But if you say that you are not going to jump to the tune of those who play the pipe of conflict-of-interest laws, then I say that you have at least one sympathizer, and from the previous stand of the New Democratic Party, a majority, the government. You have more than one sympathizer.

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

MR. RUSSELL DOERN: Mr. Chairman, I had some other matters I wanted to raise, so I assume that the Minister is not going to reply?

MR. MERCIER: I did earlier.

MR. DOERN: Did earlier. I wanted to raise a couple of other matters. I don't know whether the Minister has had any involvement in this problem encountered by the city of Winnipeg, or whether there are any new developments in regard to the problem of methane gas in relation to former garbage dumps. There was a great trend, a few years ago, to build houses and industry on former sites, or close to former sites, and there were a lot of complicated problems that arose as a result of that. For example, I don't know if it was last year or a few months ago, there was discussion that the city would have to spend some 800,000 over the next five years to look at these 35 former garbage dumps and that they were, at that time, concurring with an administration recommendation to have a moratorium on the sale of land within 1,000 feet.

So I just wondered if the Minister, as Minister of Urban Affairs, has had any involvement in that particular matter, or whether he feels that it is not his direct responsibility.

MR. MERCIER: No, Mr. Chairman, I haven't had any direct involvement in that. I would think it would be Environmental Management Department, Mr. Jorgenson, who will be continuing his estimates when I am finished, who might have some involvement.

MR. DOERN: Mr. Chairman, I also wanted to ask the Minister about a matter which concerns the use of bicycles. I want to ask him about the enforcement of that Act, because I believe that it is worth a bicyclist's life to go out on a city street at night without proper lighting, and all new bicycles seem to be sold without any fenders, without any flash lights or lighting systems. Some have a little strip on the pedals, some have a little red reflector, but as far as I am concerned, you may as well go out there with nothing in a blackoutfit and take your chances as to whether you're going to get hit by a car.

So what I want to ask the Minister is this. I assume, that since this is in the Highway Traffic Act, and a highway is described in the Act as a highway, road, road allowance, street, lane or thoroughfare, that the law applies universally throughout the province. I don't know if I'm right there, and then if so, it says that after sunset and before sunrise you have to have a lighted lamp that has to be able to reflect to so many square centimetres, etc., and so on and so on.

What I wanted to ask the Minister was this: that law is on the books, but that law is not being enforced. Am I right in saying that that law applies to the city of Winnipeg and every other city, town, hamlet, etc., throughout the province of Manitoba, and all highways; and secondly, is the enforcement up to local law agencies?

MR. MERCIER: Mr. Chairman, I believe that law is applicable to all municipalities, and it would be enforced by the local police department, in this case the city of Winnipeg.

MR. DOERN: Well, then I have to say to the Minister, who has two hats, although he's wearing one on top of the other, that this law is not being enforced, that it may as well be removed from the Statutes of Manitoba; that it was true 25 years ago

or more that the police used to enforce that, and today, I don't think the police even bother.

I know that I wrote the Mayor on this matter a month or so ago, and he said he'd have the Chief of Police look into it, but I want to say to the Minister that here is a law that is not being enforced, and my concern is that a lot of young people, primarily young people, ride their bicycles when it's dark, and I don't know about your experience, but I know that every summer, there are a number of instances where I feel I came close to hitting somebody on a bicycle, because you just can't see them. All of a sudden you recognize there's some blur, or something up on one side or the other, and then you discover it's somebody on a bicycle, no lighting, cutting across, or coming towards you, or whatever.

And so I'm just saying to the Minister, is it not his responsibility, either in the city of Winnipeg to exert some influence, or as the Attorney-General of Manitoba, to issue a directive to all law enforcement agencies to put some enforcement behind that law, because that law is being violated every day by thousands and thousands of cyclists. And the danger is that they are risking their lives. I heard this morning, contrary to what the Minister of Highways said the other day to me, that most accidents occur at night. That would seem to be common sense. He said the opposite. But somebody was quoted on the radio today, saying that there were some new reports or statistics, I don't know who it was, and that most accidents occur at night. Well, that's hardly surprising.

So I'm just saying to the Minister, what can he do about this, or is he prepared to do anything about it?

MR. MERCIER: Mr. Chairman, I don't think it pertains to my responsibilities as Urban Affairs Minister, but as Attorney-General, and I'll undertake to review that matter with law enforcement authorities.

MR. DOERN: Well then, can I assume that the Attorney-General's inclination will be to draw this section to the attention of law enforcement agencies and ask them to enforce it? Is that the direction he'll take?

MR. MERCIER: Mr. Chairman, I'll undertake to review it with him and what steps are being taken at the present time to enforce it.

MR. DOERN: One other matter I wanted to deal with here briefly, Mr. Chairman, is the funding of the arena. I am just wondering whether the Attorney-General or the Minister of Urban Affairs had an involvement in the procurement of funds, some 2.25 million for that project, or does he feel that this is not his bailiwick? Was he involved in the announcement or the decision to provide those funds and so on and so on.

MR. MERCIER: Yes I was, Mr. Chairman, in the sense of trying to assist the city of Winnipeg with the presentation of their opinion and views with the Minister of Sport.

MR. DOERN: The other point, I would make, Mr. Chairman, is this, that I am rather suspicious of the

timing of that announcement which was, I think, 24 hours after the by-elections were called last fall. I want to underline one point and that is that the province pledged 2.25 million on a 7.9 million expansion regardless of whether equivalent federal funding was available. That's the way it reads in the press and the point I want to make is this, that there obviously are some projects that the province will undertake where there is no federal funding available, and I want to relate that to the business I mentioned before we broke late this afternoon, namely that when it comes to that steam plant, that garbage burning plant, Amy Street Plant, if no federal funds are available, which has to be explored and exhausted, then I would say that the province and the city should proceed on that project and I ask the Minister again whether he feels that he has now drawn a blank from the federal government; and if he has, if he feels that area has been exhausted, whether he is still prepared to recommend to his government that the province provide substantial funding to the city of Winnipeg to proceed with that project which, if it's 50 million, probably means 25 million? I wonder if he could comment on that?

MR. MERCIER: Mr. Chairman, there is a significant difference between the two projects that have been referred to, the arena expansion somewhere in the range of 7 million and at the time the responsible Minister was fairly certain of the eventual federal participation.

MR. DOERN: Has that proven true?

MR. MERCIER: Yes.

MR. DOERN: We did get federal money?

MR. MERCIER: Yes, through the takeover of the federal lottery. The difference between that arena project and the steam heating plant — the steam heating plant, I believe, was estimated to cost in 1976 dollars somewhere between 40 and 45 million so that has obviously risen significantly. And by virtue of that I think we would have the same concern the previous government did. Somehow we would hope that there would be federal participation in that, but we haven't had a direct and final response from the federal government on the proposal that was made to them last week and I don't think it's, as I said earlier today, the federal government requested further information which I understand can be supplied fairly quickly and we'll have to await the response to that information.

MR. DOERN: I think that the Minister is taking a prudent course of action and I would encourage him to exhaust that possibility, but I am also saying to him that if he finds out that he cannot obtain federal funds, namely that there is no area that he can obtain them, then I'm also encouraging him to seriously consider proceeding with the city on that project and like many other major capital works, there are many millions of dollars involved but there's no easy way out.

I also want to say to the Minister that his government very recently has put on a new face about being very energy conservation conscious and

developing alternate sources of energy, etc. Ultimately you have to put your money where your mouth is and that was the message of the Throne Speech and it does no good to simply say it and then not back it up. So I hope that he would push that particular project hard, and I am sure there are many others. I am only singling one out to try to obtain federal funding but in the last analysis I think some of these projects have merit on their own and if you have to go it alone in the province of Manitoba, then I think you have to take that course of action.

MR. CHAIRMAN: The Member for St. Matthews.

MR. LEN DOMINO: Thank you, Mr. Chairman. I just didn't want to let this opportunity pass to say something about conflict of interest because I feel it is very very important that we find some workable conflict of interest legislation. One of the things that makes me saddest or that saddens my heart the most when I talk to constituents or people who aren't involved politics is the amount of cynicism that we find in the general public and generally the very low regard in which politicians are held. There are large numbers of unfortunately, large numbers of people outside this building who honestly believe that the majority of us in here are interested only in our own benefit and that we would take the short-term opportunities to make ourselves rich. Having been someone who worked for Mr. Stanfield at one time, and who has bounced around and who has met on a social and in a professional way many politicians from all parties, I know that's not true. I firmly believe that all the politicians I've met and dealt with are honest, extremely honest, and make large sacrifices on behalf of their constituents, on behalf of their society. I think that it's the old adage that applies here. It's very important at this particular time that we not only be honest and conduct ourselves in an honest manner but that we must find some way to demonstrate to the public that we are honest. It's not good enough to be honest, we have to prove it over and over again. Unfortunately some politicians amongst us will take the easy route, will take the low blows and when things come up like the issue with Mr. Ernst, the city councillor recently, and I don't think he acted properly but I certainly don't think that he had any intentions to pad his own pockets and I certainly don't think that we should have that sort of conflict of interest legislation that would see a man who had committed a crime of that sort, if it is indeed a crime, removed from city council.

I noted in this House at the time that several members of the New Democratic Party jumped on the issue, were loud. One member at this committee table tonight, I believe, asked for the resignation of Mr. Ernst at that time and certainly got some headlines and some publicity out of it. But, Mr. Chairman, I wonder if members around this table are aware, because it was never made public, that same member, the Member for Wellington, himself broke laws, the laws that restrain members of this Legislature, laws which indeed may not be sufficient, may not be as tight as they should be, but the Member for Wellington sat on the Child Welfare Appeal Board and he continued to sit on that board after he was nominated for some time. I don't

suggest he did that deliberately. I don't suggest that he should have been expelled or prevented from taking his seat in the House, but I do suggest that was not proper according to the rules and regulations which limit the activities of members of this House.

I am concerned about members who live in glass houses and insist on throwing rocks at others. Now to the member's credit he did return the approximately 800 he received from the government. He did apologize and to the credit of the Minister at that time it was not made a political issue. You didn't see members of the Conservative caucus standing up in the House and demanding the Member for Wellington resign because we understood that it was a small transgression and that it probably happened inadvertently, and further we understood the damage that can be done to the public image of law makers by taking the cheap shots. We could have. I could have appeared, I'm sure. I'm sure one journal in this city, one open line radio station would have allowed me to make an issue . . .

MR. CHAIRMAN: On a point of personal privilege, the Member for Wellington.

MR. CORRIN: I certainly don't want, Mr. Chairman, to do anything to undercut the momentum and impetus which my honourable friend from St. Matthews is now building up to. Obviously these remarks are somewhat in the nature of a prelude or precursor to his re-election bid, presumably against me in the next coming election. But, Mr. Chairman, in order that the record be abundantly clear, because I am not sure that his representations disclose all the pertinent and salient facts surrounding my presumed and supposed conflict of interest.

I have not finished my point of personal privilege and I'm about to raise it, and I'm trying to clarify the point you are making.

MR. DOMINO: You're making a speech.

MR. CORRIN: If that honourable gentlemen, Mr. Chairman, would allow me to complete my remarks on my point of personal privilege —(Interjection)— Mr. Chairman, I believe I have the floor. He insists on interfering and continuously attempts to break the order of the meeting. Mr. Chairman, I just wanted to point out that it is true that I continued sitting as a member of a Child Welfare Board in this province after I was nominated by the New Democratic Party to seek election as a provincial legislator. It is not true that I sat on any board or commission or agency after the time that I was officially elected.

I also wish the record to show that immediately upon being advised that there was a prohibition in The Legislative Assembly Act from that sort of activity, I turned back all the moneys that I had derived from that particular occupation. I would also like to indicate that I asked the Minister at that time, the Honourable Minister for Health, Mr. Sherman, whether it would be possible for me to continue to sit gratuitously for the balance of my term, which at that time was some 18 months left to go. I was advised that I would not be allowed to continue to sit on the Child Welfare Board on that basis. I just want

the record to disclose that I would have been quite pleased to do so.

If the Member for St. Matthews wishes to beat his breast on this point, inferring that I had done something irresponsibly heinous or in conflict with the public's interest, he can continue to do so, Mr. Chairman, but those are the facts.

MR. CHAIRMAN: He was on a point of personal privilege and the Chair had to listen out his argument. The Member for St. Matthews. — (Interjection)— Well, I think it's a point, if not privilege, a point of clarification, which I think this committee does need from time to time.

The Member for St. Matthews.

MR. DOMINO: Mr. Chairman, thank you. I thank the Member for Wellington for assisting us here, although I don't think he mentioned anything new. I'm not asking for his resignation. I didn't at the time and I don't now. I am simply pointing out that there are two approaches that can be taken on this. One is to use a common-sense approach; and the other is to get hysterical about it. If the member is suggesting I am acting hysterically tonight or in some way destructively, I'm not. I don't believe I am. I just want to make the point clear that there was opportunity for members of the Conservative caucus to take the same low cheap shots at the Member for Wellington that he has insisted on employing as part of his arsenal against the city councillor, Mr. Ernst.

MR. CHAIRMAN: The Member for Wellington on a point of personal privilege.

MR. CORRIN: On a point of personal privilege, Mr. Chairman, I must indicate that the Member for St. Matthews is clearly dissimulating and that he is not, in his remarks, addressing himself to what I said in the Assembly. At no time did I suggest that the resignation of Councillor Ernst should be sought. I indicated, and the Attorney-General, who is present in this committee will remember and I'm sure will affirm — I indicated that in my opinion, investigations should be forthcoming and that if a breach has been found and if The City of Winnipeg Act requires forfeiture for that breach, that Mr. Ernst should be notified of that through council and that council should take the matter under advisement and if the law requires, ask for Mr. Ernst's resignation. I indicated that if council refused to do that and the law required it, that the chief law enforcement officer of the province should then attempt the enforcement of the law through the court. But at no time did I attempt to persecute Councillor Ernst, nor did I suggest that we should irresponsibly go on some sort of witch hunt with a view towards simply destroying him without due process being accorded him.

MR. CHAIRMAN: I wonder if the committee would just adhere to the Chair. I think that carrying on from city council to past members, are we indeed adding anything to this committee? We are on 1.(c) Other Expenditures.

The Member for St. Matthews. Stay within the subject, please.

MR. DOMINO: Thank you, Mr. Chairman, for your assistance. I don't believe there were any points of order that were raised by the Member for Wellington just a moment ago, or points of privilege. He insisted on interrupting my train of thought; he has become very exercised, and I hope his conscience does prick him; I hope it does.

Mr. Chairman, as I mentioned when I first started, I don't have a lot to say on this except that I want to see all of us look at this matter of conflict of interest in an honest and forthright way. I don't think we should be scoring political points. We have a bad image with people out there and I can see why in many cases, if we are going to continue to act like this.

I would hope that the Minister would take to heart some of the things that were mentioned by the Member for Inkster. I don't often find myself agreeing with the Member for Inkster, but I thought his remarks were well taken and I could second almost all of them.

I further believe that when we get a conflict of interest law, that what we need and what's going to be the foremost and most important part of this legislation will be some common sense, so that we can demonstrate that we have got tough rules, but rules that are meaningful and not just nitpicking. Probably the most effective and the most efficient safeguard the populace has, the electorate has against corrupt politicians, and Lord knows we have seen some examples, mostly American examples but we get a lot of American media here. We have seen Richard Nixon and his vice-president and others convicted — not convicted but certainly demonstrated to be guilty of crimes. One of the most important safeguards we have, of course, would be an active media and in this city we are very fortunate; we do have a very active media — sometimes on occasion, maybe an over-active media, but that's probably not for me to say, either way. They certainly believe they are operating in the public interest and I'm sure they are. I would like to see us do the very same thing, a strong, vigilant opposition party and a strong, aggressive, active media are the best safeguards we have against corrupt politicians. I hope that will be taken into account too when we draft the legislation, that legislation can't allow for every single possible circumstance and that what we need are some general guidelines, some rules that will apply and then within that, let the press publicize what politicians do and let the electorate make their decision. Let them decide if Mr. Corrin did something wrong. I'm not suggesting he did something particularly wrong. Let them decide about Mr. Ernst and others too. As long as we can be assured that all the facts come out and as politicians we have to accept it, sometimes our trial is in the media, and as long as we have laws to ensure that all the facts come out, I'm sure that in the long run, those politicians who don't deserve to be elected, won't be.

MR. CHAIRMAN: The Member for St. Vital. I believe that . . . I'm not sure if he wanted to carry on or not.

MR. D. JAMES WALDING: Thank you, Mr. Chairman. It wasn't a big point but I wanted to reply

to my colleague from Elmwood, who has made the same point twice now about bicycles. The implication in his remarks and in the legislation that he has quoted is that anyone on a bicycle has the responsibility to protect himself against a two-ton or more vehicle. The Member for Elmwood mentioned that anyone on a bicycle at night takes his life into his hands. I would suggest it would be more accurate to say that any motorist takes a cyclist's life into his hands.

Mr. Chairman, I suggest to you that anyone driving a motor vehicle has the responsibility to see for himself that the road in front of him is clear and that there is sufficient light for him to see and sufficient space for him to stop in. It should not be any surprise to anyone to find a cyclist or a pedestrian or a child's toy or a parked vehicle or road construction in driving around the city or anywhere else, and it is the duty and the responsibility of anyone driving a motor vehicle to take due care and take that responsibility. I'm not suggesting that one on a bicycle should not equip himself or herself with a reflector or with lights; it's a common-sense thing to do, but I do take issue with the suggestion that it's the responsibility of a person with a 30-pound bicycle to protect himself against a two-ton car.

MR. CHAIRMAN: The Member for Elmwood.

MR. DOERN: Mr. Chairman, I don't want to debate with my friend and colleague. It's like being slapped in the face and then you say to that person, Thanks, I needed that. I want to say to him that my point is that you must identify yourself to motorists and anyone who is zipping around in the dark is simply exposing themselves to — well, they are exposing their life and their limb.

Mr. Chairman, I wanted to reply to the Member for St. Matthews, who gayly ran in here, made a comment and left. I don't appreciate that sort of interjection. If a member is going to participate in a debate, then he should wait for the response. I simply want to say in passing that it was ironic that he was decrying the so-called cheap shots of the Member for Wellington while taking cheap shots at the Member for Wellington. I don't see anything wrong — (Interjection) — It tainted it. I don't see anything wrong with what the Member for Wellington said in regard to the conduct of Mr. Ernst on City Council. I didn't consider his remarks intemperate. Maybe I missed something but it just struck me that a lot of people thought, including editors of the press and reporters and people on the streets, that it appeared that Mr. Ernst was in a conflict of interest situation, or that he had acted imprudently, maybe he had unnecessarily exposed himself, like these cyclists that I'm talking about who don't drive with lights on at night.

I will save my remarks for the Member for St. Matthews about his individual independence that he is trying to exhibit in a desperate attempt to get elected, because it is quite clear, Mr. Chairman, that we just saw a preview of the next provincial election. I am looking forward to that election and I'm also looking forward to that writing. — (Interjection) — The Attorney-General got a haircut and I'm very nervous about that; it's his election haircut. I am simply saying that we just saw here tonight, never mind the

issue, the Member for Wellington was quite correct in speaking on conflict of interest. He has an interest in the area; I have, and other members do.

The Member for Wellington, I think, just came in and tried to score a few points on his opponent in the next provincial election, and so all we saw was a preview of the contest in that riding. I hate to tell the . . . Oh, I'm calling him the wrong name. I'm saying the Member for St. Matthews has his work cut out for him and I don't care what he does between now and the next election, I don't care how many times he persuades, Mr. Chairman, the members of caucus or the members of Cabinet to free him from party votes or to introduce new resolutions, it is all going to be in vain because he is going to go down the tube. We'll have more to say about the Member for St. Matthews when he starts introducing his anti-hypocrisy amendments and all sorts of other little gimmicks designed to ensure his re-election in what is only a vain attempt and a losing attempt.

MR. CHAIRMAN: I wonder if I could bring the attention of the committee that we are on 1.(c) and we have really gone around the ballpark. We are going to go back on the Minister's Salary where you open the whole thing up, but rather, we have been on (c), an item of 7,800 this afternoon and for an hour-and-a-half this evening, and I wonder if it really is fair pay of the taxpayers — are they getting value to do this?

The Member for Wellington. Stay within 1.(c) Other Expenditures.

MR. CORRIN: You will appreciate, Mr. Chairman, as I'm sure most of us will, that the way the items are prioritized and the way they are designated on the order paper before us, it is virtually impossible not to cross over in terms of topics. There are very few opportunities to present opinions or have discussion or debate on a variety of matters, because of the nature of the order paper.

What I wanted to address at this point, Mr. Chairman, is the question of city transit and transportation planning in the city of Winnipeg for the next few years. I would like to start by asking the Minister whether he would be willing to comment on the recent discussion that has been held at Winnipeg City Hall, and I presume with his department, pertaining to electrification of the city's transit system. In this context, Mr. Chairman, there has been a proposal by, I believe, at least several members of city council, that there be a return to the former trolley bus system employed in the city before 1970 and just yesterday, I read a news report indicating that a member of the city's Works and Operations Committee had brought back the idea of a light rapid transit system. I presume that meant a fixed guideway LRT system to run along certain specified corridors, and apparently now the city's Transportation Planning Department has been asked to present a report to its Works and Operations Committee, to which it is responsible, in order that discussion and debate can proceed in that area as well.

I think we would all like to know and would find it edifying to find what policy position the provincial government is taking in this important area, and particularly in view of the stated commitment in the

Throne Speech to new energy conservation initiatives predicated on the use of hydro-electric resources within our province.

MR. MERICER: Mr. Chairman, it perhaps is unfortunate but it may very well be that any discussion would be a little premature at this point. As I understand it, a motion was introduced by an individual member of the Works and Operations Committee at a meeting of that committee yesterday, and was adopted by that committee yesterday, and now has to proceed through the executive policy committee in council before it would be approved; and if approved, the actual study would take some months for the city transportation people to complete.

There was a question asked of the Minister of Mines and Energy today during question period, wherein he indicated that he would be very interested in an energy conservation program of that kind, but that we would have to await some detail of the proposal.

MR. CORRIN: Well, to be more specific and somewhat closer to home then, I would ask if the Minister has given consideration to the conversion of the proposed south-west transit corridor, in order to electrify the transit buses that would operate along that line. That, Mr. Chairman, as I'm sure many of us remember, is, as I understand it, approved policy. I believe that the city of Winnipeg has endorsed the south-west transit corridor concept. As a matter of fact, I believe on several occasions it has appeared in the city's capital budget, and I presume on as many occasions, has been withdrawn.

I believe, and I'll stand corrected, but I believe that this government has, on occasion, continued to commit itself to the shared funding of the corridor, and it's of some interest to all members, I am sure, to find out whether or not — well, first of all to find out when, if ever, we might expect the implementation of that particular plan to go forward; and secondarily, when we might expect an announcement to be made with respect to the energy mode.

It seems to me that that particular corridor is simply a prime situation for electrified transit, and I'm wondering whether the Minister could give us some idea of what policy his government has struck in this regard, and what is going to be done in this area.

MR. MERCIER: Mr. Chairman, I think I indicated yesterday that the city are working, at the present time, on updating their five-year development plan at the same time as the province and the federal government, under the ARC Agreement, will be bringing forward a draft master plan on the east yards' area and riverbank area, the two of them are very connected.

I, personally, am very supportive of the concept of the south-west rapid transit corridor, and its ultimate extension into the north-east and north-west sections of the city. I expect that during the balance of this year, we will be having some detailed discussions with the city of Winnipeg about that proposal.

MR. CORRIN: On this point, will those discussions then include the question of whether or not the line should be electrified? I believe, Mr. Chairman, that formerly it was determined that the line would be operated on a diesel basis. I don't think that there was any serious discussion of using an electrified format, and I'm wondering now, in view of the variable economic exigencies that prevail in this area, whether or not we should reconsider the viability of electrifying that line. And I'm wondering if the Minister could respond and indicate whether or not he will take the initiative and perhaps even cost-share a study into the feasibility of that energy mode.

MR. MERCIER: Mr. Chairman, with respect to energy studies, I think the Finance Minister has indicated that our government is proposing a federal-provincial agreement on energy, a five-year agreement, that I believe is awaiting federal government approval, under which that specific kind of study, as I understand it, could take place.

MR. CORRIN: On a related topic, Mr. Chairman, there has been some discussion recently of new transit technology involving off-line buses. These are trolley-style buses that are capable of leaving the electrified wiring and travelling on an energy retentive flywheel or battery for some short distances on a feeder basis. I am wondering whether the provincial government has done any research and evaluation of this particular new format, and also, Mr. Chairman, I'm very interested in whether or not Flyer Coach has been encouraged to do any research in this area, and if so, whether or not any approaches have been made to the federal government for special study funding in that area.

Mr. Chairman, I do understand that the federal government is cost-sharing this sort of research into energy alternatives. The Minister responsible for Flyer Coach seems to be affirming the — (Interjection)— oh, I thought he was affirming that advances and approaches had been made to the federal government for this sort of funding, Mr. Chairman. I know that there is serious research being done to develop a battery-powered bus, if I can use that term loosely, both on the inter-modal basis and of course, on the non-electrified basis, on the non-trolley basis as well. And having been advised — and I don't know whether this statement is absolutely accurate — but having been advised recently by a report on electrification presented to city council by the city's transit planning engineers, that there is apparently a trolley bus with an off-line operating capability or capacity that could be available on a production basis within five to ten years, I am wondering whether or not that very attractive option is now the subject of evaluation and study.

MR. MERCIER: Mr. Chairman, the bus that the Member for Wellington refers to is the kind of bus that I think the transit people feel would give the flexibility to an electrified transit system, that they, in their view, have always felt necessary. And the Member for Wellington will recall that position was taken three or four years ago, the theory being that to use ordinary diesel buses allows them to run off a fixed route into an area, operate as a feeder bus and

pick up people and get back on the express route, or whatever you wish to call it. And the kind of bus the Member for Wellington refers to would give the flexibility to a trolley bus system or electrified system that it wouldn't otherwise have.

I don't know that Flyer Industries have done any research in that particular area; I think they probably have had enough problems trying to fill the orders that they have with the existing bus that they manufacture. I think it's obviously an area worthy of study. The questions, I think are, unfortunately, a bit premature. I fully expect that we will be having discussions on the south-west rapid transit corridor and other projects in their five-year development plan during the course of this year, that there will be some room for studies of the nature suggested by the Member for Wellington within the federal-provincial agreement on energy, if it is indeed consummated, and that in a province where we have a hydro resource like we have, we should be looking at electrification very seriously.

MR. CORRIN: Dealing with the question of the energy storing, or retentive battery power or flywheel-powered trolley bus, Mr. Chairman, I wanted to say, and I think it's very important to say, and I'm pleased that the member of the government responsible for Flyer Coach is in the committee with us this evening, that the little research I was able to do, and I must say that it's imperfect and of course only very superficial, Mr. Chairman, indicates that Flyer Coach's competition is doing extensive research into the question of developing the perfect flywheel. Apparently it's thought that flywheel technology will be the means by which this sort of bus can actually be made operational.

The reason I bring it up is, because I understand that General Motors is spending a veritable fortune on research into this area, and as we all appreciate, Mr. Chairman, certainly at some yet undetermined point in the future when probably all rapid transit systems will be largely reliant on renewable resources, this particular concept will be probably the ultimate solution to the problem that's plaguing the world.

It seems to me that being able to develop this sort of concept on a workable basis could be the difference between success and failure in the competitive milieu of the 21st century. Although, as I said, there is some discussion of the possibility of this type of transit bus being operational in the next decade, that has not yet been ascertained and has not yet been determined, and it seems to me that the Minister responsible for Urban Affairs should show some resolve on this point and should be encouraging his colleagues to instruct Flyer Coach industries to look into the question of flywheel technology. I don't think it's pie-in-the-sky. It seems to me that at some point or other it will be, particularly for those areas where there isn't access to abundant cheap supplies of hydro-electric energy, it seems to me that they will be moved to consider this sort of inter-modal technology, and that it may well be the most efficient approach to electrified mass transit, certainly in the context, Mr. Chairman, of the vastly sprawled suburban type megalopolis that seems to be developing throughout this continent. So I would encourage, not prophetically,

but I would certainly encourage, Mr. Chairman, the Ministers responsible and the government to look into this question and encourage Flyer Coach to attempt to do some research, or at least attempt to obtain licensing rights to some of the patents that are now being registered. It's my understanding, Mr. Chairman, and I don't want to go on too long, I know I'm being repetitive and it's, in the context of the discussion, almost superfluous, but it seems to me that in view of the fact that patents are now being registered throughout the world on the basis of various alternative approaches to this concept, that Flyer Coach should be asked to address themselves to this particular approach.

That's all I have to say on the subject.

MR. CHAIRMAN: 1.(c)—pass; Resolution 120, 2. — the Member for St. Johns.

MR. SAUL CHERNIACK: On the block funding. Mr. Chairman, I wanted to ask the Honourable Minister, in view of this transference of recognition of payments to the city from itemized to block funding, and therefore to what I think is a negation of the government's participation in urban planning problems, is it a fair statement to say that the government is gradually winding up the Department of Urban Affairs? Certainly since it came into power, it has downgraded the role of the department and of the Minister, reduced his staff, I believe, fairly substantially. Is this switch to block funding an indication of the intention of the government to leave the city to fend for itself in a substantial way without any real participation?

For example, to what extent has the Minister been involved in this last year in problems of the city, problems of urban growth, problems of urban sprawl, what special role has he played as the representative of government in this field? I ask that, because I get the impression, from both the background, to the visit to Mr. Pepin, and the report following the visit to Mr. Pepin, that the Minister was along for the ride. He was there to add whatever lip service he could to the petition by the Mayor on behalf of the city on rail relocation.

I am not aware that the Minister has, in any way, stimulated discussions or stimulated programming or actively participated in discussions involving concerns of the urban community. And when I look at the moneys being paid to the city through the province, I find that — let me do some quick addition here — 22 million roughly is statutory, that 33 million is block granting, that the rest is of very little consequence as a payment from the province to the city, and the result is that I don't see that the Minister is justifying the continuation of his role and that of his department. Would he care to comment on that?

MR. MERCIER: Mr. Chairman, the question is similar to one that was put to me last spring when the Member for Seven Oaks asked me, because there was, I believe, a task force on government organization recommendation that municipal and urban affairs departments be amalgamated, and he asked me my view of that. I said to him at the time, although I couldn't indicate what direction the government was going to take at that time, that

whether or not there was one department or two separate departments, it was in my view, extremely important, in view of the unusual population split we have in Manitoba compared to other provinces, with a city the size of the city of Winnipeg and its importance to the whole province, that it was necessary that a Minister be designated with specific responsibility for the city of Winnipeg.

Subsequently last fall, as I went over, in my opening remarks in November of last year, Mr. Gourlay was appointed Minister of Municipal Affairs and I was appointed Minister of Urban Affairs. The department had been previously amalgamated while I was Minister of both areas. Since then, the full and total resources of the department have been available to me in my capacity as Minister of Urban Affairs, as well as, I can honestly say, the resources and expertise in every other department of government. And I have found, because virtually all requests and concerns of the city are initially directed to me, that all departments of government have co-operated, and I have been able to bring to the attention of other departments concerns which I think should be legitimately recognized in dealing with specific problems of the city.

I referred earlier on to what may seem to the Member for St. Johns as small items, things like the grant to the Winnipeg Rehabilitation Housing Corporation of the city which came from the department of the Minister responsible for MHRC, in which I think I played at least some small part in encouraging the Minister to follow through with that request from the city, despite their having changed their minds a couple of times on that particular issue.

In the same way, the community improvement program which we introduced in substitution for the previous NIP program, came from another department, but I think, in our department, we played an important part. Things like a special grant for books for the city of Winnipeg library, the arena expansion that's been referred to, there are simply innumerable concerns raised by the city, in the main, always affecting other departments, which have more direct or specific total provincial responsibility for a program, whether it be Dutch Elm disease or whatever, in which I feel it's my responsibility to ensure that the city's interest is brought forward.

I know the Member for St. Johns has some disagreement on the issue, but even an issue like re-allocating the unconditional grant moneys under the Provincial and Municipal Tax Sharing Act is an area where I think I was able to bring to the attention of the government and the cabinet concerns over the larger per capita costs, larger urban municipalities have in providing essential services to the residents of their city.

There is no question that a lot of that discussion certainly is not public discussion. It's intergovernmental, interdepartmental discussion, but I think we've been able to, in this department, to bring forward in a fairly strong way, the concerns of the city with respect to a lot of these programs and by and large have been reasonably successful in bringing those concerns forward.

So I don't think the member is suggesting that there be no Minister of Urban Affairs, in fact I am sure he is not suggesting that. If he is suggesting that perhaps under our government there should be

no Minister of Urban Affairs, I strongly disagree with that position. I think it's extremely important that some person, whoever he may be, be given that responsibility, because of the importance of the city of Winnipeg to the whole province of Manitoba.

MR. CHERNIACK: Mr. Chairman, I appreciate the Minister spelling out what he visualizes as his role, but it would be more supportive if his own estimates that we are looking had some description that made it appear like so many other departments do, for example, the Attorney-General's Department, under General Administration, says it provides overall planning and management of all departmental programs and the centralization of personnel and financial administration. Then all the other resolutions describe tasks being performed by the Attorney-General. Urban Affairs says, under General Administration, provides for the operation of the office of the Minister. So one surely does not know, from the estimates that are before us, just what it is that the Minister is supposed to be doing, or his department. Under block grants, it says, provides for the payment of block grants to the city of Winnipeg. On the basis of what the government itself sets out as being the role of Urban Affairs estimates, it does nothing. I'm glad the Minister has spelled out that he is involved in some things.

For example, in the other committee, they are still discussing, at least when I left them, they were discussing ambulance services and the inadequacy of government support for ambulance services, and the Minister, who mentioned — I have nine items in my list of payments to the province, and of these nine items, he referred to about four or five already as matters he was involved in. He didn't mention ambulances, but I'm wondering the extent to which he actually was the advocate on behalf of the city in dealing with this government. I don't expect him to say he had a knock-down, drag-out fight with the Minister of Health and lost, but I would like to know that he is there and sees himself as the conduit through which the city's requests are passed on to other departments. If he declares that he is, I'll accept his statement without asking him to spell it out, because some of these matters are better — well, obviously, will not be revealed as being matters of confidentiality within cabinet and caucus.

But if he assures me that all problems relating to the city are channelled through him, then I can see more of a role that envisions to me that when the city has a problem about ambulances, they go to him rather than to the Minister of Health. For example, if the city wants to force policemen to work and deny them the right to strike, that that would not be a matter for the Minister of Labour, but would be a matter for this Minister.

If he assures me that that is the way he looks at it, then I will pass on to other matters, but I'm not sure.

MR. MERCIER: Mr. Chairman, I can assure the member that that is the case. With respect to ambulance services, that request came to me and the Minister of Health and I have had discussions about that, as the previous government had with the city, or I should say the previous government also had discussions on that issue with the city. The Minister of Health was able to announce an increase,

whatever it was 9 or 10 percent, in the grant for that particular program. But there is no doubt in my own mind that I see at some future date, as sufficient funds become available, that the ambulance service should be incorporated as part of the medical service and be fully funded. There might be some justification for — I'm not sure of the exact details of this but there have been some discussions I've heard, in the past, in fact when I was with the city, that the city should be responsible for a kind of an emergency response that was formerly provided by fire departments of the city before the provincial legislation allowed municipalities to become involved in ambulance service. I think the Minister of Health, frankly, feels the same way, that as soon as sufficient funding becomes available and some effort should be made to obtain that, that ambulance service is a service which should become totally provincially funded and part of the health delivery system.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, does the Minister have regular meetings with the city of Winnipeg representatives on a regular basis or is it ad hoc?

MR. MERCIER: Mr. Chairman, there is no specific date, for example, each month that we meet but I can say that without having set a date that there are regular — we have had innumerable meetings with the city. I don't think there is any question about the city suggesting, for example, that it didn't have an opportunity to meet with myself or other Ministers of this government. I think we've made every effort to be available to them and I don't think they have any complaints in that regard.

MR. CHERNIACK: Mr. Chairman, has the Minister done anything to broaden the scope of his responsibility by including working with other urban centres of Manitoba — like Brandon, like Thompson?

MR. MERCIER: Mr. Chairman, since my appointment as Minister of Urban Affairs, that responsibility has been designated as solely a responsibility to the city of Winnipeg and not to any other municipality in the province.

MR. CHERNIACK: Mr. Chairman, I wonder that the Minister after all this time is not ready to start dealing with urban problems of the province of Manitoba, not limited to Winnipeg. That was a long range objective and it makes sense that Brandon, which has urban problems, should deal with the Urban Minister. Does that not make sense, Mr. Chairman?

MR. MERCIER: Mr. Chairman, I have every confidence in the Minister for Municipal Affairs as a former mayor of a fairly significant urban area in Swan River, that he has the ability and the expertise to deal with those areas. Personally while I was Minister of Municipal Affairs I enjoyed very much my relationship with cities like Brandon, Thompson, and the larger urban centres, but that's a matter of responsibility that is designated by other powers.

MR. CHERNIACK: Mr. Chairman, I don't want to talk about the capacity or capability of individual members, I want to talk about the role of a Minister for Urban Affairs. There was a strong drive right across Canada by the urban centres of Canada to have a more direct role in self-government, in dealing with the federal government, in dealing with provincial governments on a level where they had special problems dealing with inner core problems, transportation problems and the need to permit growth beyond the limitations placed on municipalities.

Although I don't question the ability of the present Minister of Municipal Affairs but to the extent to which he goes in and starts messing around with a council of a local government district is an indication that that is not of the same nature or level of dealing with elected people at the Thompson level or the Brandon level. The point I am making is that there has been a recognition, not only by New Democratic governments, that there is a special problem and a special need and a special role to be performed in relating provincial governments with urban centres and in having direct access made possible with the federal government, and although I take pride in the fact that I was the first Minister for Urban Affairs in Canada, and I said not only New Democratic governments but other governments also recognize the importance of that.

The long range view always was that it wasn't the capital cities of each province alone that would be involved in an urban affairs department, but rather that the special problems of urban centres, the problems peculiar to urban areas, should come under a Minister who devoted himself to that, and therefore I never thought that the Minister for Urban Affairs of Manitoba was really the Minister for Winnipeg. I do know that in the time of the New Democratic government the burden on the urban Minister was often such that he just couldn't become involved in dealing with other areas, but it was always conceived that his task would grow rather than diminish and that is why I asked the Minister these earlier questions.

It doesn't satisfy me to say that other people make decisions. He's a member of the Cabinet and certainly has something to say about the role he ought to perform. I don't think that as Attorney-General he would willingly give up some of the responsibilities which he would consider belong to the Attorney-General. I don't really expect a response to that of the Minister unless he wants to make a response I'll move on to something else. In these meetings — he indicates no response so I'm moving to the next item, Mr. Chairman, in my mind and that is dealing with the fact that the city has been, I believe, frozen by being given a block grant and by being given a percentage increase, is frozen out of being able to discuss special programming, special needs or attention. And when the Member for Wellington spoke about a study on rapid transit, I think that is a role that is clearly one that the province ought to be involved in because it's too big for the city to handle, especially with the restricted means of financing that the city has and which the present government imposes on it. I say that in view of what has already been discussed, I won't repeat it.

Under the provincial/municipal tax sharing act there is a section which reads, Section 3, the council of a municipality — and I'm just skipping certain unnecessary phrases — the council of a municipality may pass by-laws imposing such forms of taxes as it deems advisable within the municipality and without restricting the generality of the foregoing it may impose a tax on persons of a municipality who purchase or consume motel and hotel accommodation or meals at a restaurant or dining room or liquor or on the transfer of land. Then of course it says the by-law has no effect unless it is approved by the Lieutenant-Governor-in-Council.

I am wondering the extent to which this Minister has been discussing with city of Winnipeg council suggestions such as are contained in the authority itself, in the law itself, for means of participating in growth taxes, or does he just sit back and wait for council to debate and come to him? It seems to me that the Minister with his resources, and he has indicated vast resources of the government of Manitoba, not limited to his own department, should be able to stimulate within the city expectations of growth and expansion related to, in this case, growth taxation which could develop much more than is set out in the provincial/municipal tax sharing act itself. Could he indicate to us what his thoughts are in this regard, what assistance he has proposed to the city which will enable it to get out of the constricted block grant system which he has imposed on them?

MR. MERCIER: Mr. Chairman, I don't agree that the block funding grant is restricted. When it was introduced we indicated that it would grow in accordance with government revenues which I suggest alone is a form of revenue sharing and it has grown this year more than provincial government revenues. So I don't think it is restricted. With respect to special projects, at a meeting we had with the city a few months ago, the Premier himself indicated to the city that we would be prepared to look at special projects over and above the block funding grant. At that time the city indicated they were in the process of completing this review of the five-year development program which we undertook to review with them. So I think that we have been open in indicating to them that we will look at special projects and I fully expect the city will consider that, and I know the mayor himself will not forget that undertaking and they will be making some proposals along that line.

With respect to specific areas contained in the act to which the member refers, my understanding is that the city themselves have particularly the finance committee have been looking at some of the areas that the member has referred to and again I fully expect will be making further representations to the province as to what if any areas they would like to pursue further.

MR. CHERNIACK: One final question, Mr. Chairman. Has the Minister commenced any discussions or had discussions or actually recommended consideration to be given to the tax on vacant land which would have some effect on the rapid growth of the value of undeveloped land which now goes to the benefit of developers and not to the municipalities that are bound to supply all the

services, the infrastructure for this? Has there been any direct discussion along that line?

MR. MERCIER: No there has not, Mr. Chairman.

MR. CHAIRMAN: The Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. I have a few remarks to make relative to this item and with your indulgence, Mr. Chairman, if it seems that I'm getting off the topic, it will be relative to this particular area.

I once heard the former premier complain somewhat bitterly that two different programs that the government had brought in were in fact working at cross-purposes with each other and I suppose that's a danger faced by many governments, and it would seem that maybe that situation is occurring under this particular item where there are two policies of present government that are working at cross-purposes.

With regard to the specifics here, the government is increasing its block funding grant to the city by some 3 million or 10 percent this year and the Minister has mentioned again this evening that that 10 percent is above the rise in the provincial expenditures for this year and they are suggesting that a 10 percent increase should be most satisfactory to the city.

I would also like to point out to the Minister a decision that his government made, not the Minister personally, a year ago when the government brought in its freeze on Hydro rates for five years. This is where I am going to diverge just a little bit, Mr. Chairman; I ask for your indulgence. One year of that has already passed, but in freezing Manitoba Hydro rates, the government in effect froze Winnipeg Hydro rates as well, because the two are required under legislation to be the same. Now, the financial year of Winnipeg Hydro is different from that of the province or of Manitoba Hydro in that it's a calendar year, so Winnipeg Hydro received advantage of the rate increase early in 1979, and I believe it was in February, so although it is not quite a full year, the profit that Winnipeg Hydro made went into the coffers of the city of Winnipeg, and the city of Winnipeg taxpayers benefited by that increased amount.

With the rates frozen for 1980, the amount that will accrue to Winnipeg Hydro, and hence to the benefit of city of Winnipeg taxpayers, will be decreased, and the best estimate that I have come up with is that the revenues to the city of Winnipeg from Winnipeg Hydro for 1979 will be some 12 million. The estimated revenue from Hydro to the city for 1980 will be 9.5 million. Now, that is only an estimate, Mr. Chairman, because it does depend on water levels and the amount of energy that Manitoba Hydro produces and sells, but that is, at present, the best estimates of revenues accruing to the city of Winnipeg.

That represents a decrease in 1980 over 1979 of some 2.5 million. So on the one hand we have, by the conscious policy decision of the government, an additional 3 million that is going to the city under the block funding arrangement, yet on the other hand, by a conscious policy decision of the government, a reduction of some 2.5 million that will go to the city,

one almost cancelling the other one out. The Minister mentions that on the one hand there is a 10 percent increase, yet the reduction from Winnipeg Hydro is some 20 percent, 2.5 million of 12 million. So here there are two conscious policy decisions of this government which are in fact working against each other, one of them which will almost entirely cancel out the increase that is going to the city.

I suggest it is small wonder that the city of Winnipeg council and its individual council members are complaining to the province somewhat bitterly that they are not receiving as much money as they feel that they should do to carry on the city's responsibility. I would be interested to hear from the Minister if he has any reaction to these two separate policies, whether he feels that they are in conflict and whether the government of Manitoba is considering any additional grants to the city to make up for its loss in Winnipeg Hydro revenues for 1980.

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

MR. MERCIER: Mr. Chairman, what I can say in answer to that is, it is my understanding that as a result of the freeze on the cost to Winnipeg Hydro this year, that the city accumulated approximately a 5 million surplus that was unanticipated, and transferred that into a revenue position. I would have to pursue that matter further, or else the Member for St. Vital could pursue that further with the Minister responsible for Winnipeg Hydro as to any further long-term implications for revenue to Winnipeg Hydro.

MR. WALDING: Mr. Chairman, is the Minister of Urban Affairs suggesting that there is a Minister in this government that is responsible for Winnipeg Hydro?

MR. MERCIER: Pardon me, Manitoba Hydro.

MR. WALDING: The Minister mentions a sum of 5 million which goes to the city. The figure that I obtained was some 12 million that would accrue to Winnipeg Hydro. Now, whether all of that 12 million would be passed over to the city or not, that I am not entirely sure of. I assume that that is the case. If it is not, there is still a reduction in net revenues to Winnipeg Hydro of some 2.5 million in 1980 over 1979 and I assume that the same proportion of that would go to the city as went to the city in 1979.

MR. MERCIER: Mr. Chairman, if I can attempt to perhaps clarify what I said. My understanding of the situation in this past fiscal year is that the Winnipeg Hydro surplus was some 5 million higher than anticipated, as a result of a freeze on Hydro rates, and thus the cost to Winnipeg Hydro.

MR. WALDING: Mr. Chairman, I would question the Minister's statement that there could be an increase in revenues to Winnipeg Hydro because of the freeze

MR. MERCIER: A decreased cost. I'm sorry.

MR. WALDING: Let me finish, Mr. Chairman. . . . because the freeze applies to residential and small

commercial rates that Hydro charges to its customers. I wonder if the Minister is confusing the increase in revenues to a rate increase that went into effect early in 1979, which would have been in effect for most of that year. Certainly that increased Manitoba Hydro's rates, and I presume that it would have increased Winnipeg Hydro revenues as well. The contract between Winnipeg Hydro and Manitoba Hydro is somewhat complex, and has to do with the production and sale of quantities of energy. I understand that the freeze had no effect whatever in itself on the relationship between Winnipeg Hydro and Manitoba Hydro in the amounts that Winnipeg Hydro paid to Manitoba Hydro; that is contingent on water flows and atmospheric environmental conditions and the amount of energy produced and sold both here and outside of the borders.

I am suggesting to the Minister that the freeze in itself did not contribute to an additional 5 million in Winnipeg Hydro's revenues.

MR. MERCIER: Mr. Chairman, my information is, that because Winnipeg Hydro purchases electricity from Manitoba Hydro, that the freeze on the hydro rates caused the surplus 5 million to accrue to Winnipeg Hydro. Now, perhaps the legislative assistant to the Minister of Finance might be able to explain it further.

MR. FILMON: Mr. Chairman, one of the benefits that did accrue to Winnipeg Hydro from Manitoba Hydro was as a result of the opportunity to export sales of power to the States. Because there is this business of paying for energy produced, in fact some of the energy produced that was sold on opportunity of sales to the States was accredited to Winnipeg Hydro, and that did result in some additional funds that were unexpected by Winnipeg Hydro.

MR. WALDING: That is probably true, Mr. Chairman. I believe that's what I had said originally. But surely that has nothing to do with the freeze in Manitoba or Winnipeg Hydro rates to consumers, and that's all that that rate freeze did, was to freeze the actual rates that consumers paid to the relevant utility. The charges from one utility to another are governed by this rather complex contract. What I am suggesting to the Minister is, if there was an increase in revenues to Winnipeg Hydro, it came about partly because of the increase in the rates in, I believe it was February, and partly because of the export sales, again, of energy produced and sold, but not of the freeze itself.

What the freeze itself is doing is reflected by these figures that I gave the Minister. In 1979, revenue over expense, 12 million to Winnipeg Hydro. Its increase for 1980 will come about solely because of an increase in the number of customers within a rather limited area. As the Minister knows, Winnipeg Hydro's customer area has very little to grow horizontally. They are expecting perhaps a 1 percent increase in the number of customers, and hence the amount of revenue that they are getting in, which is more than offset by inflation affecting all of the other expenses that Winnipeg Hydro has, and they are expecting there an increase in expenses of around 10 percent; that's an estimate.

The net result of that is that Winnipeg Hydro's net profit position for 1980 will be reduced by some 2.5 million, which was the original point that I made, which almost offsets the 3 million that's going to the city of Winnipeg through this particular department.

MR. DEPUTY CHAIRMAN: The Member for Wellington

MR. CORRIN: Mr. Chairman, the Member for St. Vital brings up what the Minister will remember was a rather delicate and sensitive subject at Winnipeg City Council. He reminds me of the rather acrimonious debates that were precipitated as a result of rate equalization as between Manitoba Hydro and Winnipeg Hydro. The Minister will remember that there was a very strong feeling that the rate equalization worked a hardship on inner city residents inasmuch as it required them to pay rates for hydro-electric power that were indeed well beyond the cost of production. There were some of us, and I must admit that I was one, who felt that the legislation requiring rate equalization should be repealed in order to afford the persons who relied on city hydro services the more advantageous and lower rates that would pertain through that utility.

The Minister, Mr. Chairman, I think is quite correct when he suggests that an approximate sum of 4 million to 5 million was transferred from Winnipeg Hydro and applied to general accounts of the city this past fiscal year. I have done some research on that, and as a matter of fact, I determined that in the course of setting the mill rate last March, the city, as a matter of fact, was able to hold the mill rate some two full mills as a result of this application of those so-called surplus funds.

I want to stress, Mr. Chairman, in order that it not be obtuse, that these are funds that, as I understand it, and I will be pleased to hear from other members around the table in a free exchange of views, but these are funds, as I understand it, that are largely surplus to city Hydro simply because of rate equalization.

Mr. Chairman, in my view, the application of these hydro surpluses to the current budget is tantamount to an inner-city subsidy of current expenditures for the whole city. Perhaps that view will not be shared by others, but I can't understand why inner-city ratepayers should be required, as a result of rate equalization, to assist the city in accumulating this sort of surplus which can then be turned back and applied to the current budget of the city as a whole.

It seems to me, Mr. Chairman, that if hydro rates were not required by legislation to be equalized, that inner-city hydro users would be significantly better off. It seems to me that the rates they would pay would be much lower, inasmuch as the city's hydro utility is, as I understand it, largely able to produce hydro electricity at a much less costly rate and it seems to me that in fairness, since most of those people are largely representative of the modest income sector in our community, that the benefit of the more cost-efficient production of city electric power should be passed on to them.

I think I still have an open mind. Having said that, Mr. Chairman, I have an open mind to the subject, and I would willingly entertain other points of view, because as I said, it's been a complaint, in my area it

was a matter that was brought up in city council during my tenure on that body. It seems to me that in the context of the remarks of the Member for St. Vital — and I respect those remarks and I think there's much of significance that he presents for the Minister's consideration — that we should also discuss the question of rate equalization, the freeze and the application of the surplus from hydro to the city's current budget account.

In this regard, Mr. Chairman, I would like to ask the Minister, and this is my final point, I'd like to ask the Minister to indicate whether he would be willing to revise The City of Winnipeg Act in order to foreclose the city's option to apply hydro surpluses to the general account. That is certainly a question I would like to have answered, Mr. Chairman.

MR. CHERNIACK: Mr. Chairman, if my memory serves me correctly, rate equalization was my idea, and I developed it, and I would like very much to discuss it for the edification of the member privately, or for the committee if the committee is interested, or for the Minister if he is interested. However, I am not prepared to discuss it at this hour. If we are intending to continue, I'm leaving. If we are intending to adjourn, I hope that I will have an opportunity to discuss this aspect of it, if it is of interest to the committee.

In other words, Mr. Chairman, I understand the other committee has already risen and I'm hoping that this committee will rise, but in any event, I'm going to rise and that's why I wanted to make the point. I do want to deal with this subject because I think it's relevant, especially in view of the point that was raised, but I'm not going to do it today, Mr. Chairman.

MR. DEPUTY CHAIRMAN: 2.—pass.

MR. CHERNIACK: Mr. Chairman, I move that committee rise.

MR. DEPUTY CHAIRMAN: I have a motion that committee rise. All in favour? Against? I say the nays have it.

Resolution 2.—pass. Resolution 120, Resolve that there be Granted to Her Majesty a sum not exceeding 33 million for Urban Affairs, Block Funding Grant, 33 million—pass.

I now return to Resolution 119, 1.(a) Minister's Compensation—pass — the Member for Wellington.

MR. CORRIN: In brief summary, Mr. Chairman, the only thing I wish to say, firstly, I suppose I'm a bit disappointed that we couldn't accommodate my friend from St. Johns in order that he could provide us with the information that motivated his introduction of the rate equalization concept, but notwithstanding committee's proclivity to proceed, Mr. Chairman, I would indicate that I personally will be able to discuss the matter with him, and I'm sure that I, as an individual, will be edified in that regard.

I'd like to say generally, Mr. Chairman, that I am very disappointed about the relative inattentiveness of this government towards the field of Urban Affairs. I would indicate for the record that members on this side do not believe that Urban Affairs should be delegated holus-bolus to municipal representatives.

We certainly recognize their primacy; we certainly recognize their dedication; and we recognize their legitimacy as elected representatives, and we recognize that they, indeed are in the forefront of all municipal policy formation. But having said that, Mr. Chairman, we also recognize that by and large much of the responsibility for funding municipal programs comes through the provincial government. And having taken cognizance of that, Mr. Chairman, we would indicate that we find the rather low priority and short shrift given to the erstwhile so-called Department of Urban Affairs deplorable.

We feel that the department should have a Deputy Minister; we feel that the department deserves recognition and status within the context of all the governmental departments; we feel that the department should have a suitable budget that would provide it with administrative capacity in order that it can do comprehensive policy analysis and research; we think that two staff members is simply wholly deficient and inadequate; we feel that that is not in keeping with the importance and significance of the department's work and purport; we are very concerned about the lack of policy direction in the Urban Affairs field; we do not feel that abdication and global budgeting is the solution to the problems which present to Winnipeg as a capital centre in the 1980s. I think I can say, and I think I speak for all members of my caucus, we perceive the city as being in a state of crisis. Just recently, we have good reason upon which to found that statement, rail relocation is becoming, I think, a pre-eminently important matter; the question of redevelopment of certain parts of the city, most notably the inner core. We have, in the course of this Legislative sitting, discussed statistics which indicate that the city of Winnipeg is in an advanced state of rot; we have a very real housing problem, perhaps if not just in terms of access to housing, certainly in terms of adequacy of housing.

And having said that, Mr. Chairman, it seems to me that a much more activist approach to Urban Affairs in the department is warranted. I, for one, am not satisfied that we can expect, from our present municipally elected officials, a sufficiently comprehensive approach to problem solving and policy formation as to assure all the taxpayers of this province, and they, indeed, to some extent I suppose, are all involved because they pay the taxes that support the urban services. In that context there are many services, Mr. Chairman.

I'm not sure that the taxpayer's dollar is adequately insured by way of block funding in the global budget, I think that a lot of the Minister's confidence is misdirected. I think it's honestly misdirected, I think it largely flows from the fact that he was a person in a position of power at the city council; I think that by virtue of having been a member of the ruling caucus, or effectively, the government of the city of Winnipeg for some two terms of office, he has a very different and markedly different perception of that group than do many of the responsible citizens of this city. I don't say that with any malice, Mr. Chairman, but I would say that the track record of the ICEC majority on Winnipeg city council has been something less than adequate and, Mr. Chairman, I could not be motivated to be complimentary in that regard, and that is not a

partisan statement, Mr. Chairman. It may be interpreted and construed as a partisanly political statement, but I assure you that I think it's in the realm of fair comment.

That group has been bereft of vision, they have been derelict with respect to their duty to redirect urban policy to certain areas. One could say, as a matter of fact, that group has largely been subservient, simply subservient to the business and development interests of this city, and I'm not suggesting that the business and development interests of this city are somehow contrary or in contradiction to sound public policy. I'm just suggesting that there has been no independent efforts made by the ICEC caucus majority at City Hall to address itself to the need for a more expansive and comprehensive and people-oriented, more humanist urban policy.

And Mr. Chairman, in the context of this, I can say that we could also deplore the federal government's decision to abdicate its responsibility in this area. They, too, rescinded the powers accorded to the Department of Urban Affairs, the former Department of Urban Affairs. The situation minimally, Mr. Chairman, is deplorable. I think most people who have a concern about this city and its future would state that it's critical.

Mr. Chairman, I can say that I for one, in conclusion, am very concerned about this city. I am very concerned that this city is losing its soul. I can see a downward trend in this regard and I think that we need visionary policy to address ourselves to the problems that will prevail in the 1980s and beyond. And so in this regard, Mr. Chairman, I would, on behalf of my caucus colleagues, chastigate the government, chastize it for its lack of attentiveness to those problems and for its seemingly lack of manifest will to attempt to work towards the redress of those many problems.

Thank you.

MR. MERCIER: Just briefly, Mr. Chairman, firstly let me thank the Member for Wellington for his attentiveness to the estimates of this department, but at the same time indicate that in my view I believe there has never been a better relationship with the City of Winnipeg Council and its government since Unicity was initiated. I think the programs that have been developed in full and close co-operation with the city have eliminated a great deal of bickering and administrative workload that was carried out previously.

Mr. Chairman, I'm happy to be a part of a government that in effect has reduced the burden of taxpayers in the city of Winnipeg this year compared to last for people with average homes in the city of Winnipeg. I recognize that is not totally the long-term solution to financing of both schools and municipalities, but that has been in effect a reduction in taxes this year and I'm satisfied that we will be addressing the long-term problems.

At the same time, Mr. Chairman, it's fair to say that there are problems that have to be addressed in close co-operation with the city government, and I'm prepared to do that, and I think this government is prepared to do that. We've referred to some of them during the estimates — inner core development, CN east yard development, transit system, energy

programs, are some of the areas that we have to address seriously over the course of the next year. I think programs that we have brought in have served the city well, and there is a good relationship with city government.

I have to note that, although the Member for Wellington, who has been here throughout all of the estimates, refers to a crisis that he and his colleagues in government perceive in the city of Winnipeg; he is the only member of his caucus in attendance at the present time who has been here consistently. So their attendance, I suggest, certainly doesn't indicate any great concern over a crisis in the city of Winnipeg.

MR. CHAIRMAN: 1.(a)—pass; 1.(b)—pass. Resolved that there be granted to Her Majesty a sum not exceeding 50,800 for Urban Affairs—pass. Committee rise.

SUPPLY — HEALTH

MR. CHAIRMAN, Abe Kovnats (Radisson): This committee will come to order. I would direct the honourable members' attention to Page 61 of the Main Estimates, Department of Health. Resolution No. 79, Item 5. Manitoba Health Services Commission, Item (e) Pharmacare Program.

Before I acknowledge the first speaker, I would just direct the honourable members' attention a la gallerie de l'orateur. Je presente mon professeur de Francais, Monsieur Gauthier. I would ask the honourable members to join me in welcoming my teacher here this evening. —(Interjection) Je parle Francais? Partiellement. Item (e) is under discussion. Item (e)—pass — the Honourable Member for Fort Rouge. La membre de Fort Rouge.

MRS. WESTBURY: En anglais. Mr. Chairperson, I just wanted to refer back to something that I asked the Minister about, I think on Friday, when I was talking about the drug, Darvon, and I wondered if he had seen the report that came out of Washington, D.C., to the effect that the United States government is tightening restrictions on this drug following a decision by the United Nations Committee on Narcotics to limit production of the active ingredient in this pain killer. The report stated that Darvon in pure form will be added to the government's list of drugs which have only limited medically approved uses and a recognized capability of being abused.

I thought in view of our discussion on Friday that the Minister, if he had not seen that report, may find it of interest and may find it something that he wants to follow up on.

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: I thank the Honourable Member for Fort Rouge for those comments and observations and I will follow up on it, Mr. Chairman.

MRS. WESTBURY: Mr. Chairperson, this afternoon there was some discussion on the inclusion of intrauterine devices under this item. In view of the unfortunate and dangerous experiences that are being experienced by women who have been

supplied with these devices, I wonder if there is any study being made by the Minister or by the department, or if he knows of any protection that is being offered in the form of control of the devices, or a regular examination of those using the devices, or of any protection that is being offered to the women who are being fitted with intrauterine devices.

MR. SHERMAN: Mr. Chairman, such devices are only dispensed to women on prescription from their physicians, and they are supplied under the Division of Medical Supplies and Home Care Equipment, or the branch concerned with Medical Supplies and Home Care Equipment in the Department of Health.

The protection lies in the requirement that a medical practitioner, the woman's doctor, makes the decision and orders the prescription for her.

MR. DEPUTY CHAIRMAN, Albert Driedger (Emerson): The Member for Fort Rouge.

MRS. WESTBURY: There have been some horrendous stories coming out about experience with these devices, Mr. Chairperson. There have been instances with women I know who have had the devices imbedded in the uterus and have had to have surgery. There have been instances where miscarriages have been caused through the use of these devices, and obviously if there's a miscarriage, an unexpected pregnancy as well.

The experience, the women-talk around town, is that these are something to be avoided, and I wonder — I haven't heard very much from the medical profession on the use of intra-uterine devices, but I just wonder what the department knows about them, what they can say to the women of this province, because women are really scared of these things now. And if they're being covered by pharmacare I think we should have some knowledge of their acceptance for continued use or something like that. I know that women fitted with these devices are not being urged to go back every three months or every two months to have them checked, and the results can be really very dangerous to the woman, and just plain bad luck in some cases.

MR. SHERMAN: No, Mr. Chairman, there is nothing in particular that is being done by my department that I know of with respect to these devices or their possible or potential or insipient hazard. Once again, it's a matter that's in the hands of the medical profession and the medical practitioners, and is a matter between the practitioners and their patients. If there are the kinds of problems and concerns that the Honourable Member for Fort Rouge refers to in widespread capacity, or even to the serious degree that she suggests, then I would think it should be something that could be and should be studied by the medical profession, by the MMA or a section of the MMA, and by the College of Physicians and Surgeons.

I have not had any complaints or entreaties or requests that that subject area requires investigation, and if I did have, I would refer the correspondent or the caller to the College of Physicians and Surgeons.

MR. CHAIRMAN: Pharmacare Program—pass — the Member for Roblin.

MR. J. WALLY MCKENZIE: Mr. Chairman, under this item, I now have the luxury of being an old age pensioner. I've had that experience for some months now, since last June. I enjoy the privilege of this item, and I'm all for the program. My wife and I enjoy it very much, because we are now under medication — that's the perils of old age. But at the same time, Mr. Chairman, I can afford to pay for those drugs, and no reflection on the system, or no reflection on the program or what it's all about. I know there's only one tax dollar, and regardless of how we wring it out, I'm certainly prepared to contribute all the tax dollars that I have in my pocket to any of these programs that are well-intended, well-programmed, well thought out, but I wonder if there's some way in the system that people like myself — and I'm sure there's many in this Chamber, in fact, I don't think there's a member in this Chamber that should get the benefits of the pharmacare Program, where you pay your own share and the province pays the other. And there are likely other people across this province that can afford that privilege and it is a privilege and it's an honour to be able to go to a drugstore today and buy a medication which you require to keep you going and then at the end of the month, the year, to send and get X numbers of dollars back. And I, with the problems that we have in the world today, the shortage of tax dollars which we need for health and education and for highways and for all the various programs, I just wonder sometime that there are certain people like myself, and I say many others, if we were in that unfortunate position, couldn't afford it, fair ball. But I would like some vehicle to be in — that I — can I return that cheque back to the province or can my wife and I give it to some other — (Interjection) — well that's fair ball, there's certainly tax shelters for almost anybody today that's prepared to go out and look at them. But I am all for those people that — the pharmacare program is an excellent program and it serves a great many people, especially old age pensioners. And I just ask the Minister if he's looking at the possibilities, in my own case, if I can, the rebate that comes back to me can I turn it back to him, or turn it back to some charity? Would I be violating any laws or would others, and I daresay every member of this Chamber once he achieves that age and — but I think because of the economic problems that we have today, I listened to the Public Utilities Committee. There is only one dollar that we are wringing out with the cities, the municipalities and all the jurisdictions, and I would just like the Minister to comment to see if he is looking at some ways and means.

MR. CHAIRMAN: The Member for St. Boniface.

MR. LAURENT L. DESJARDINS: Mr. Chairman, that's very interesting. I might say, and I don't doubt the sincerity of the member, but there is nothing that forces him to apply for this, nothing at all. It won't come to you, you have to apply for it. You have to fill a form and keep your receipt and everything. Now if there is a, and I'm not talking about the Minister, but if somebody has an ulterior motive because of taxes, if that puts him in a higher tax bracket and if at the end they lose money, and that's one of the arguments about these universal programs. They give to you and take it away with the other hand. But

if that is the case you can apply and then it could be given to charity because charity is deducted from the taxes. But that is not the thing that interests me the most, because there is something to what the member said. What interested me the most is exactly on other programs what we have been saying, for instance the rebate of the school tax to everybody, even the people that are senior citizens, but much richer than my honourable friend and I, people that are spending six, seven months in the south, who are coming back and getting these high taxes, and this is exactly what the former government wasn't doing. We were rebating to people with a certain revenue, but now it is a universal program.

So it is quite interesting to see and as I say I don't doubt the sincerity of my honourable friend but is quite interesting and now I'm sure that he will support us on the policy that we've had. But this is a universal program of a kind. It's not universal like the Minister said before the dinner hour, that it is meant to pay all the bills. It is more of a catastrophe clause to ensure that nobody has to pay too much, those that, just by a few dollars a year, they're not covered anyway. So it would be those that have to, for the rest of their lives, take drugs. And it is universal that there is no Means Test or Needs Test, but the situation is that people, for some reason or other, if they feel they don't want it, I've never saved those things myself. I don't think I take that many, I'm not too much on drugs yet; not on valium yet, I haven't used too much of that, I haven't bothered. But there's nothing that would force people to apply. And if they apply for it, which is perfectly legitimate, the motive is less noble, but if it's because this might put them in a different tax bracket, well then they could take it and give it to charity, whatever, there is a lot of flexibility. —(Interjection)— No, they don't have to, that's what I was saying, they don't have to apply for it.

But it's interesting, and I hope that the Minister will now realize what we were doing on the school rebate. There are some people that are millionaires, that have all kinds of revenue, they're still in a high bracket, because even without a salary they have got so much revenue, we are rebating the tax on schools, and this is a bit much.

MR. DEPUTY CHAIRMAN: The Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I thank the Honourable Member for St. Boniface for his comments very, very much, but I have to take issue with some of the remarks that he has put into the record on the rebate program, because he was part and parcel of that government which thought that was the answer to the problem. I happen to have a neighbour that's making 45 grand — because of the rebate program, he never contributed any tax dollars, because he happened to have an old home, living on a corner lot, he never contributed one cent. When we're in this system, this becomes the delicate problem where there's only one tax dollar and we can go on forever and ever. And once you start doing that, and giving those — I asked you today, and I asked the Member for St. Boniface, should I apply for the Canada Pension Plan benefits? I paid into it for years, but now I'm told by actuarial, very sound information, that that fund is going to be

broke before we reach the year 2,000. Because it was never planned properly, and this is the problem we get ourselves into with these programs such as the one the Member for St. Boniface — and I'm involved in it, certainly. And why should I not, I ask the Member for St. Boniface, take that, unless you put a retired clause in there, or some concessions, and tell me I can't do it? —(Interjection)— on the rebate on the Pharmacare program. —(Interjection)— Well, give me one reason. Give me one reason. The program is there, and it's universal, and I'm entitled. And yet, I'm sure I said, I plead with the Minister and others, because of the problems that we have, not only in this country and this province, but around the world today, of inflation, and many, many problems, we're getting ourselves boxed into a very, very difficult future for my grandchildren. I have about seven, eight, grandchildren that I'm scared sick about the future they're facing.

I think most of us, over the years, have been able to stand up and meet these problems. There's a lot that can't, and I'm all for those kind of programs, and that's what government's all about, and that's what this department we're dealing with tonight is about. But I think sometime in this Legislature, we have to sit back and take a look where we're going. Because it scares me. Like getting information — I'm now drawing Canada Pension Plan. So there's going to be no dollars — I'll likely draw it for the rest of my days, but the next generation, or my grandchildren, there's going to be no money in the fund for them. We have to do a lot of soul searching.

One of the questions I wanted to ask the Minister was, if he's doing some studies on that. We can't carry on forever the way we're going in this province. I would like, and I think it's a matter that maybe we should deal with on another day, and maybe I shouldn't have raised it, but it does concern me somewhat, Mr. Chairman.

MR. SPEAKER: The Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, the member certainly has every right to raise it, but to give an example, he went back to the school rebate and he said that there was somebody getting 45,000 a year and they don't pay. That's exactly my point. That's exactly the point I was making. They don't need it. And then the member lost me. He got up and he wanted to give money back, and I said, well, there's your choice. You either give it to charity or don't apply for it. And he is mad at me because I said, don't apply for it. I certainly didn't tell him he didn't have the right to apply. I told him that this wasn't one of the ways out.

Now Mr. Chairman, there is no doubt — I think I know what the member is saying, and I think it was said by every member of this House at one time or other, that these programs, everything in itself, everything by itself is good. Not everything, but I mean the programs that are suggested in this House, but you have to prioritize, and so on. That was recognized, I said that when I was sitting on this side of the House when the member was asking me certain things for his constituency. The Minister is saying to us now, and it's been said all over, but he used an example, and this is why we answered,

about this example. I think that he paints a picture that it is a bit exaggerated to say that the Canada Pension Plan — I know that the Pension Plan might be in trouble, or going through a difficult period, because it is something fairly new, but it is something good. Eventually when you have that pension, then everybody will have some kind of a pension.

If the member did not have the pension of an MLA when he retires, and if he didn't have any other pension, he might be very pleased to know that there is a certain thing as a Canada Pension Plan that will take care of these people, because there are still a lot of people that haven't got any pensions at all. I would hope that the next generation, you won't see that, that everybody will have some kind of a pension, and they might have to devise a way to earn money for that pension so the next generation doesn't pay for all of it, but I don't know.

This generation, in these changing times, this generation that we belong to, has paid for an awful lot of things. There's been so much, if you want to call it progress? — I put a question mark after that, but so many things that have happened during this generation about paving roads, or building hospitals and so on, that we've done our share. I don't think that we should be so pessimistic, this is not an exaggerated program. I, for one, would go along with the — well, I don't know if I'd go with the Minister. The Minister said before dinner that he might be looking at the situation of taking — I don't want to put words in his mouth, he did not say that he was going to do it, have a universal, that is take all the premiums out, but this is something that I wouldn't look at for a long time. I think it's a good plan as it is. This is a plan, and I don't know if I'm alone when I say that, this is a plan that if you pay the whole shot, you'd cause a problem. I know that for a fact, I've travelled, for instance, in Israel, where it is really a program, they have real socialized medicine, not like we have here. They have a clinic, and people go and see the doctors and then on their way out they stop at the dispensary and they load up with drugs. That was bankrupting the country. I asked them and I said, well, what's the matter, everybody has a little drugstore at home, and they said, no, a big drugstore.

I think it is a good program the way it is now. I don't think it is exorbitant. After all, there is a certain limit. You have to spend so many dollars before you get anything, then you get a percentage.

My honourable friend is probably fortunate. He might buy the odd aspirin — well, that's not even covered — but he might buy some different things, but there are some people that have to take costly drugs every day of their lives, and that could put them in . . . I think it was aimed at these people. I don't want to chastize the member; I think he is sincere. I think a little mixed up, mind you, when he talked about the school, but I think I know what he means. He's just telling us, well, be careful with any future programs and I agree with him.

MR. DEPUTY CHAIRMAN: The Member for Roblin.

MR. MCKENZIE: If the Minister will permit me one minute. I agree with the Honourable Member for St. Boniface. Either the Minister put on the forms those

that don't want the rebate, don't file, which is not on the forms today. —(Interjection)— Well, then you have to go back and deal with human nature then and show me anybody who isn't going to get a buck when he can, and there we are. So I bow out and I thank the members for listening to me and I appreciate their comments.

MR. SHERMAN: Mr. Chairman, I just want to address the topic for a brief moment and thank both the Honourable Member for St. Boniface for his comments and thank my colleague, the Honourable Member for Roblin, for his. I think what the Honourable Member for Roblin is saying, and it's acknowledged by the Member for St. Boniface, is that money is finite, that tax dollars, revenues available for public programs are finite and not endless and infinite, and we have to make sure that we are spending them wisely and effectively, both in terms of care effectiveness and in terms of cost effectiveness. Although he has zeroed in on pharmacare specifically, I think that he perhaps is merely using it as an example of a broader challenge facing all governments, federal, municipal and provincial, in this country.

I must say to my colleague, the Honourable Member for Roblin, that we are not contemplating at the moment changes of the kind that he suggests. I can't speak for the entire government caucus because we haven't addressed it as a government caucus, but I can tell him as a Minister, I am certainly not contemplating changes with respect to Pharmacare of the type that he has suggested, or the implementation of a means test. In fact, a means test carries with it, built into it, expenditures which often offset in entirety what savings one expects to make from implementation of that kind of a measure.

I do appreciate what he is saying about effective husbanding and spending of available dollars. I think that it's the broad principle, the broad question that he is really speaking to, and we all have to address ourselves to it. There is, for example, Mr. Chairman, in existence in this country, in this province at the present time, something between 26 and 30 income transfer programs, federal, provincial and municipal, between two and three dozen income transfer programs which transfer dollars from one pocket to another and which in many cases transfer dollars in a universal kind of way that results in assistance where assistance is not necessary and a limitation on assistance where unlimited assistance or much greater assistance is necessary and is desirable, and this government is working at the present time through the Minister of Finance on a rationalization of those programs. But a province can't do it by itself, of course, it involves the federal government and it involves municipal governments too, but I think that all members in this House and all persons serving in public office at the municipal, provincial and federal level in Canada today can certainly take a rallying cry from the kind of message that my colleague, the Honourable Member for Roblin delivers.

There is a jungle, there is a cobweb of income transfer and social assistance programs that results in ineffective application of some of those dollars. Some of the people who need them most don't get them and some of the people who don't need them

do get them and that's what he is saying, I think, and that I strongly subscribe to, the need for a reformation and a rationalization of that whole network of programs.

MR. DEPUTY CHAIRMAN: The Member for Seven Oaks.

MR. SAUL A. MILLER: Mr. Chairman, I've been listening with interest to the Member for Roblin and now the Minister who is trying to in a sense make the comments of the Member for Roblin somewhat palatable. Earlier today the Minister indicated that they were looking at the pharmacare program and were thinking in terms of perhaps it's time to alter the program, to perhaps remove the initial deductible or perhaps the co-insurance feature of it, the 20 percent which is co-insurance. And I was pleased to hear that, because I can't accept what the Member for Roblin is saying, and what the Minister now seems to be supporting. What I hear is this, that because it is possible that people who don't need the money — and I'm not sure who doesn't need it — but who are financially in a position where they don't require the money, they should somehow be cut out of the program because why give them money when they don't really need it.

Mr. Chairman, we always go around in this circle and I think the Member for Roblin put his finger on it when he said, I don't really need it, how do I get rid of it. You know, I feel guilty almost about taking it, just about. Because he doesn't need that extra 75. And of course the Member for St. Boniface gave him the answer. You don't have to fill out a claim. I forgot one year and I didn't get any money. It was my fault. But you don't have to fill out a claim. Or, having filled out a claim and got the cheque, you can donate it to somebody. But he says, yes, but human nature being what it is, if the money is rightfully mine, how can I turn my back on it. So he would like something in the legislation which will act as a hindrance to him getting those funds — a deterrent.

Mr. Chairman, there is another way of doing it. It is cleaner, it is less costly, it's less horsing around. Straighten out the income tax system, that's what's wrong today. We've got an income tax system so involved with so many loop holes, with so many allowances; capital cost allowance; investment allowance; depreciation allowance; deferrals — I was looking at an Imperial Oil Statement today, it came in the mail; something like 700 million is the amount set aside for deferral of taxes. Do they pay a nickel interest on it? No. There's billions in deferred taxes. The cleanest way of having any program is not to have a cut-off point and say you will qualify and you will not; and we'll pay more to you who do qualify and you who don't qualify, we're going to cut you off and therefore we can have more for the poor fellow who does qualify. It sounds good, but the fact of the matter is the most expensive program is that kind of program. The least expensive is one to say a buck is a buck. It flows and it's recovered through income tax because you have to file your income tax form.

So if you eliminate these little concessions, these allowances, you'll recover that money and if you've got 50 back from pharmacare or 75, they'll take it back from you through the income tax system, if that

income tax system had been allowed to function without annual changes and modifications and tax experts who find loopholes sometimes where they don't exist.

Mr. Chairman, the suggestion that we move away from universal programs because they are not fair is not valid. Although for the world of me, I can't equate what I am listening to here tonight to what was announced just a few weeks ago by the First Minister when they took a program which had the feature of universality to it and another part of it which is basic on reflecting of income, that is the property tax credit, which has had a 225 basic to every home owner plus an additional 150 for which one qualified depending on income. And what did they do? What did they raise? They raised the minimum. Everybody gets it. So there is a total inconsistency from what I am hearing from the other side. —(Interjection)— Mr. Chairman, the member says you're locked in.

The fact is, Mr. Chairman, that maximum could have been raised without touching that minimum at all, absolutely. But they chose not to because they know that some would get it and some wouldn't because it is then related to income, because that's how the program the works, and they were opposed to the program in the past and they went on record as opposing it and promising that they would do away with it. Now they say they are locked into it and they had to come up with something because of what happened with school property taxes this spring. They had to act quickly and they acted quickly and the only way they knew how, the program which they so derided, they've now grasped to their bosom and say it's good.

But to get back to pharmacare, I don't want to get off the subject. I say to the Minister, the idea that programs can sometimes come into being as this one did, it wasn't a universal program, there was a co-insurance feature, and a deductible feature, because we wanted to move slowly. I was deeply involved in this program as the Minister may know, I'm one of the authors of it, both in the legislation that passed through the House, setting up the formulary and flowing from that to the next logical step, the introduction of the program itself. I think we had to have the formula before we could move. At least that was the position I took. At that time, certainly, the idea was we would go slowly to see what was involved here, because it was an unknown thing. We had a lot of estimates of what it might be, of how many dollars might be involved, nobody knew, so we decided we would go slowly and give the Drug Standards Committee a chance to operate too. That was another factor.

Well we now know that it works. But, Mr. Chairman, I can tell you that there was always in the back of my mind the fact that the day would come when there would be a reduction in the deductible and/or an elimination of the co-insurance feature, that 20 percent, because the deductible plus another 20 percent which the individual pays, it isn't just the one as some people might have you believe. Now we had sufficient experience for it. Last year by introducing a 25 increase, by increasing the amount from 50 to 75; in fact the government put in almost nothing additional into the program. By increasing the deductible from 50 to 75, I think, what will be

shown is that for the year 1979, the calendar year, about the same amount was paid out as in the previous year, because the 25 deductible will, I suspect, cover a great deal of that increased cost. But certainly last year's increase was very minimal, if you recall, about 100,000 or less. This year again it is rising, and it is bound to rise as the prescriptions, the drugs themselves rise somewhat, but also the dispensing fees, and they should rise because certainly the druggists are doing an admirable job in servicing the community.

There is no doubt in my mind that these programs should become universal. People say, well, why do we need universal programs? After all, in our day we didn't have these things and we survived. You know, that has always been the case. When education became free, public schools, there were always people who said, I didn't come up through that system, I didn't need it and I survived. There always were people who didn't need Medicare, who didn't need Hospitalization, and they survived, no question.

You know, I would like to feel that we are a society that moves with the times, that a society is richer when it provides for the needs, not the wishes, not the desires, not the frills, but the needs of its citizens. That's how I would judge a society. Pharmacare is a need. When I take medication, I don't take it because I like the taste of it or I just enjoy taking it. I take it because it is prescribed, because a physician feels that I have to take it. So it is not a luxury; it's a need. In my view, a society that doesn't provide needs is not fulfilling its total function as a society.

I know my views may be somewhat different from some of the members opposite, but that's how I view it. When I hear about we've gone too far; people are getting a free ride; it's high time people did for themselves; they don't really need it, they're taking advantage of it. The fact of the matter is that we are a richer society today because we have Medicare, because we have Hospitalization, and because we have an ambulance program, albeit badly underfunded; because we have programs within the system, a children's dental program, albeit still narrow and confined and not yet in Winnipeg, for example.

These are all movements in the right direction. When the day comes when these needs are met, and they are needs to everybody, rich, poor and in between — when those needs are met by all of us combining to put our resources in there, that's when that society will be a fair and equitable society and we'll all be richer for it. Those who say, Well, I don't really need it, they have three choices: (1) They don't have to claim it; (2) They don't have to use it; and (3) They can come out and say, Look, enough of these loopholes and tax shelters and everything else that's for the income tax system, a buck is a buck, and let it be properly taxed. In which case, then your problems are over, I say to the Member for Roblin, because if he gets 75.00 or 100.00, whatever it is, through this program, he would simply pay it out through taxation, and that way he would be relieved of the guilt feelings that he has about taking the money and he would be contributing back to the common pool so that those who need it could benefit from it.

I just wanted to make those few comments, Mr. Chairman. Of course, as the Member for St. Boniface reminds me, it would also be less costly if less people claimed it and if more money came through the tax system.

The other factor with regard to universal programs, is the question of administration. When you have a program where you say that A shall receive but B shall not, then you have to administer that program, because somebody has got to watch to see that A's income doesn't exceed that magical figure, that threshold figure, whereas if you have it tied into the tax system, it is automatic. The tax auditor who goes through your tax return, it's a straight computation of figures and he comes down to a bottom line in seconds. He doesn't have to stop and start thinking whether you do or do not qualify, whether something happened to your income in the last year that you didn't report, and you maybe just have exceeded because you just got a raise, and are you over that threshold figure or aren't over that threshold figure.

So the administrative costs of universal programs are not expensive; they are not expensive. They are, as I say, leading to a far better society, a society where everyone is treated fairly, and in that way, you develop a sounder society. And it isn't just dog-eat-dog, but it's meeting needs of people, no matter who they are, so they have it when they need it, because these are programs that are essential programs; these are not frills. Society couldn't imagine, you know, the idea was not too many years ago that you had to pay your own pay, whether for medicines or for doctors or for hospitals or for anything; it was up to the individual. We have moved away from that and that's a good thing. I wouldn't want the suggestion that I hear, that somehow we have got to move back, that we have gone too far.

All these programs have come about as responses to the perceived and recognized needs of the elected people to what the public wants. My experience is that governments very seldom dream up things out of nowhere and impose them. Usually they reflect the perceived and recognized needs, and that's when governments move. Since people elected to this Legislature reflect the public, 57 of us, almost without exception, whatever is brought in in the way of these programs, is indeed reflecting what the citizenry wants. That's what we are here for.

The kind of society we have is a society which is more caring, more sensitive and more reactive to recognized needs in a developing society, which we are in this 20th Century.

MR. DEPUTY CHAIRMAN: The Member for Roblin.

MR. MCKENZIE: For the record, and to make sure that I understand the Honourable Minister, I hope he didn't leave the reflection in his remarks that I as a taxpayer don't pay income tax, that I don't have my books audited, or pay. There's many in this room and across this province, that our books are audited and we pay the full tax concessions, and certainly there are concessions that are allowed to us, but we are paying our way under the tax laws of this country. I hope the honourable member didn't want to leave that reflection in the records.

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

MR. MILLER: Mr. Chairman, I hurriedly jump on my feet to assure the honourable member I have absolutely no intention of reflecting anything at all on his tax return. I was talking about the tax laws of this country, which today have been so amended and modified with loopholes and shelters, quite legal ones. You know, it took three years for the government to catch up to the banks, because the banks found a way of making large loans, but the interest on those loans was not taxable, and it took three years for the government to finally catch up with them. I'm talking about the tax loopholes, and I am not suggesting that the member takes more advantage of loopholes than I or anybody else in this Chamber; we all do. I'm saying the elimination would lead to a far more equitable, fair tax system, and therefore the argument the member uses about what to do with money he doesn't need would simply not be a valid argument.

MR. DEPUTY CHAIRMAN: Pharmacare Program—pass — the Member for Transcona.

MR. WILSON PARASIUK: I just wanted to pick up on the point that the Member for Roblin raised regarding costs, and to point out to him that the Minister hasn't responded yet to the concerns that I raised regarding a possible ripoff of the taxpayers because of excessive drug costs because drug companies are charging too much. The Restrictive Trade Practices Commission has characterized the drug industry as one of oligopoly, high profits, unnecessary proliferation of brand names, excessively high marketing and market research costs. That's a situation where drug companies — and the Restrictive Trade Practices indicated that most of these were multinationals — it's a situation where drug companies' selling costs, in terms of trying to induce doctors to prescribe their drugs, is very, very high. I think that is an unnecessary drain on the Pharmacare program. I'd like to know what the Minister feels about that particular problem and what he sees the government of Manitoba trying to do to combat the problem of excessively high drug costs, and also to combat the matter of excessively high selling costs to doctors.

MR. SHERMAN: Mr. Chairman, I have no instant overnight or easy solutions to the problem that the Honourable Member for Transcona sees and articulates. I believe that the public in Manitoba is well protected against the kinds of possible abuses and alleged abuses that the Member for Transcona suggests through the interchangeable drug formulary which we have, and the mandatory substitution provision in our regulations and in our formularies application and in our Pharmacare program.

I think the public receives good protection from those principles that are embodied in and fundamental to our Pharmacare program in Manitoba, and I think that the problem that he is concerned about, and no doubt it is a legitimate concern, is one that would be better dealt with under the Department of Consumer and Corporate Affairs and in the arena of consultation between Consumer

and Corporate Affairs and the drug manufacturers. Certainly some drug costs, medication costs are very high, and no doubt, in the view of the Honourable Member for Transcona, and no doubt in the view of many other citizens, they are exceedingly high, if not in some cases excessively high. But I think one has to give credit and credence to the fact that research and development costs in the drug field are also very high, and in some cases excessively high; that the emphasis on medication and the emphasis on development of sophisticated new drugs, the technology of treatment by medication and medication development has created a highly competitive industry and a highly competitive context for the drug manufacturers.

Those research races and the attendant costs and the attendant development and marketing costs produce, I would suggest in most cases, the kinds of problems, the kinds of situations that the Member for Transcona alludes to, and whether or not that can be tackled successfully by provincial Health Ministers, I seriously doubt.

I'm not sure that I agree with the purport of the honourable member's remarks, but I respect them, and I respect his concern, and I'm trying to deal with them in that sense. But I do think though, that that issue and that challenge is really one for another department of government and not even a department of provincial government, but federal Consumer and Corporate Affairs, and the national and international drug manufacturers and their marketing functions in this country.

Certainly we are concerned with the prescription costs of drugs. We attempt to ensure the easiest and most reasonable access to those medications through the formulary and through the mandatory substitution provision as I have suggested, and we have had no, to my knowledge, we have had no complaints by registrants in the pharmacare program, either about the program itself or about the deductible, or about the co-insurance feature, or about the costs of drugs. Now, I recognize that's a dangerous thing to say, because once one says something like that, one invites criticisms, and I would not suggest that when, as and if those criticisms come, they will not be legitimate and valid. But up to this point in time, I have to say that my experience has been that the pharmacare program is working well, that we've received no adverse comments with respect to any of those categories including drug costs from registrants in the program.

It's really the market, the competitive market, that determines the prices of drugs and new medications appearing on the market. I suppose it comes down to an honest and a basic dichotomy or division of opinion as to the efficacy of the free market system, and of the competitive market environment. But I think that I can say, from my experience, and perhaps the Member for Transcona will not agree with me, that the free market system, the competitive market system has worked in producing in this hemisphere a standard of living which I think is generally compassionate and which generally provides opportunities, both economic and social, for a greater number of persons than is the case in many other parts of the world. And if that system works in the marketplace generally, why should it not work in the pharmaceutical market? I know we could

be into a long and philosophical argument on this subject, but those really are the only comments I can offer at this juncture, Mr. Chairman, with a reiteration of the point that if the Member for Transcona feels strongly about this situation, I think he should be talking to his federal colleagues about talking to the federal Department of Consumer and Corporate Affairs.

MR. DEPUTY CHAIRMAN: The Member for Seven Oaks.

MR. MILLER: Mr. Chairman, before the Minister gets carried away by the suggestion he makes that the free market system works so well to determine the price, I want to point out to him that it may be the free market system, but only partially so, that this program, when it was developed, by establishing a formulary, (1), by getting tenders, (2), interfered in the free marketplace, which before, operated by the pharmaceutical companies showering the doctors with attention and with free pills, etc., etc., so that if a drug like Diazepam, for example, which is known as valium, was prescribed generally by almost all physicians in Manitoba, although there was a generic substitute. But because the generic substitute was not required to be filled and it was easier to write valium than anything else, they prescribed valium, at seven cents a pill. Seven cents a pill. Within 12 months, it was down to a penny a pill because the formulary, when published, indicated that there was a firm from which you could get a generic medication, the same medication, Diazepam, at the lowest price.

What now happens is this. The same firm which was charging six and seven cents a pill, 6.00 a hundred, 7.00 a hundred, within 24 months proceeded to lower its price in Manitoba below that of other provinces, in order to meet the lowest price. So when you talk in terms of free marketplace, it wasn't the normal, traditional free marketplace. It was the free marketplace as amended by and as manipulated by intervention of government. I just wanted the Minister not to think that the free marketplace, of itself, created this kind of drop in price. Because it was a very remarkable drop in price, almost immediately after the program came into effect, and I'm glad to see in the most recent formulary, that that still prevails.

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

MR. A. R. (Pete) ADAM: I would just ask the Minister, how is the mandatory substitution of generic drugs monitored? Are there any checks to see if the mandatory clause is adhered to?

MR. SHERMAN: Yes, Mr. Chairman. It is monitored and it is reviewed. The pharmacists themselves carry the responsibility through their association for reviewing and monitoring the distribution of prescriptions under the mandatory substitution provision, and substitution of the lowest price generic equivalent, as the honourable member knows, is mandatory except where no substitution is specified. That is monitored by the association.

MR. DEPUTY CHAIRMAN: Pharmacare Program—pass; Ambulance Program—pass — the Member for Transcona.

MR. PARASIUK: Mr. Chairperson, I'm wondering if I could get the Minister to indicate the scope of this program and its component parts. I know that through this program ambulances in Winnipeg are funded and I'm wondering what the other components of the program are. Perhaps he could just break it down quickly and then I'd like to make a few comments on the program itself.

MR. SHERMAN: Mr. Chairman, the appropriation for the ambulance program breaks down approximately half and half between the grant to the city of Winnipeg and the grants to the other some 74 ambulance services in existence in the rest of Manitoba, outside of Winnipeg; so that when we're looking at this year's requested appropriation of 1,438,000, we're looking at approximately 672,000 for the city of Winnipeg, and the remainder, which would be, 756,000 in the remainder of the province.

MR. PARASIUK: Mr. Chairperson, this is one area where I think the government is taking on a program that was begun I think by the previous administration, I'm not sure. It's just that I feel that this is a program that is underfunded by the provincial government. We have a situation where, in the city of Winnipeg, the city of Winnipeg is having to bear the great brunt of this particular program, and I would think that the same holds true with the other municipalities as well, the 74 other ambulance services. I don't know if these are public or private or what, in terms of the other 74, but certainly in the case of Winnipeg, the case that I know best, this is surely an area that is underfunded.

We have discussed this matter elsewhere when we have been discussing the resolution put forward by my colleague, the Member for Wellington. I think right now the percentage being paid for by the province of ambulance costs in the city is under one-quarter, and I think that this is completely insufficient. The ambulance program was brought under the government public health program because, rightly so, ambulance service is an extension of the health care delivery system. It is a necessary, critical aspect. It has a fairly high user cost — I think that the costs right now of someone taking an ambulance are something in the order of 120, which is a very high cost. People obviously don't take an ambulance for the joy ride. Usually, when people are forced to call an ambulance, it is the direst of circumstances, or at least it's perceived as the direst of circumstances. It's a situation where no one wants to take a chance, someone usually has collapsed or has been horribly injured, and at that stage you try and get that person to a hospital and to emergency services as quickly as possible. The individuals have to pay a great user cost for that, and at the same time, it is certainly not a service that, in my estimation, is abused.

The city, to its credit, has tried to expand the program. It has recognized, at least in this fiscal year, the particular circumstance that exists in my own home constituency, namely Transcona, where you have a section of the city with a population of

27,000, on the edge of the city, separated from the rest of the city by a green belt that doesn't have within its boundaries an ambulance. So you had a situation right now where, if someone is injured, or if someone suffers a heart attack, we have to call an ambulance, have the ambulance drive out from somewhere in Elmwood to Transcona, pick up the patient, and try and get back to Concordia Hospital, or to St. Boniface Hospital, so that this person can get emergency help. The time is between 12 and 15 minutes; it's just too long.

My colleague, the Member for Wellington has pointed out the studies by Dr. Gerry Bristow, Dr. Tweed of the Manitoba Heart Foundation, which indicated the extent to which patients' lives could be saved if it was possible to get them to emergency hospital care within four or five minutes. There would be a tremendous improvement in fatality rates if that was possible.

The city of Winnipeg did act, they acted to put in extra money to their budget to provide for an ambulance and for the drivers for this ambulance to be located in Transcona. Right now they are trying to find a facility to house the ambulance. I'm pretty sure they have it in the fire station. Right now they have some public works stations there as well; they're awaiting the outcome of a study to determine whether in fact the fire department and the ambulance services shouldn't be put together. If that happens, then very quickly we will have an ambulance located in Transcona, a desperately needed ambulance.

But there is a cost to this. The cost is something in the order of 189,000, and the city has asked the province for an increase in funding for this one particular ambulance expansion, which surely is needed, and the city and the province have refused, categorically refused. This is terribly unfortunate. I commend the city for trying to fill the gap, but at the same time, in my estimation, this is a gap that really shouldn't be filled by a city or by a municipality, this is a gap that should be filled by the province as the prime provider and deliverer of the provincial health care program. It is incumbent on the province to establish its priorities in such a way that ambulance care gets sufficient funding, and this is not the case right now. This is not the case at the city level generally. The increase this year does not take into account inflation, or the increases over the last three years do not take into account increases in the cost of living, increases in the cost of providing this service.

The city has had to carry the brunt of this, and users themselves have to carry the brunt of this themselves, even though I think the Minister would agree with me that the user cost charge on people taking an ambulance does not act as a deterrent and shouldn't act as a deterrent. Therefore, the user charge is being used to provide funds, to provide this necessary service. A heart attack will strike people regardless of their ability to pay. I would hate for people to just waiver while they determine whether this is worth taking the change of a \$120.00 fee. They waiver, waiting, trying to determine whether this is serious enough to justify that type of expenditure, and the people, of course, who will do that waivering are those people who have a great deal of difficulty making ends meet. This is why the

province's attitude towards ambulance care has been one of maintaining that which was undertaken, initiated by the previous administration. This government has taken the attitude not of expanding and refining and developing this program, but rather it has taken the attitude that it's just going to try to maintain it. Its maintenance grants haven't kept pace with inflation; it is not promoting the infilling of gaps by various other bodies like the city, and I would assume like the other municipalities. I think it has a lot to answer for in this respect.

It had the opportunity, I think, to continue the leadership of the previous administration in this regard, but when all is said and done, we find that there is only a 9 percent increase globally this year, that is, just under the rate of inflation. It is standing pat and this surely is a program that I think rates a sufficient priority for expansion, because surely we must acknowledge that there are many gaps in the program.

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

MR. ADAM: Thank you, Mr. Chairman. I wonder if the Minister has had an opportunity to discuss with his colleague, the Minister of Northern Affairs, in regard to the copy of the letter that I sent over the Minister the other day with regard to an application by the community of Waterhen for the placing of an ambulance in that community. I know the Minister is familiar with what I speak of, and perhaps he has some more information, or perhaps he could indicate for the record what is the criteria for the community to proceed in order to obtain ambulance service there, rather than having to call in from Dauphin or Ste. Rose, 7¹/₂ miles away, and if the Minister could indicate what criteria is involved for the community to proceed in order to achieve their goals.

MR. SHERMAN: Mr. Chairman, I can't give the Honourable Member for Ste. Rose a response to his question yet. I am investigating the request, the letter that he conveyed to me the other day. I have discussed it with some of my officials. I will attempt to obtain an answer for him as quickly as I can.

I certainly must repeat what I said the other evening, that I think it is going to be extremely difficult, and I don't want to hold out any false hopes or any false illusions that I can accommodate that particular request at this time. I think it is going to be extremely difficult to justify establishment of an ambulance service in Waterhen at this point. However, I have the request from the honourable member and the matter is being investigated, and I will get him an answer as quickly as I can.

I might say in that respect, that a much larger centre than Waterhen in the same general area of the province, namely the community of Ethelbert, has been anxious for ambulance service for some considerable time, many years, and they have made repeated entreaties for some consideration, due to their position of relative isolation, and I have been able, with my officials — we have been able — the Manitoba Health Services Commission has been able to complete the necessary arrangements, the necessary funding and the necessary planning to provide Ethelbert with an ambulance and an

ambulance service. The ambulance is ready; the crew is trained and it is my understanding that the service will begin in Ethelbert on or about the 15th of May. That is an answer to a prayer and a dream on the part of Ethelbert residents of many years' standing, going back at least a decade or more. That, I think, is an accomplishment and an achievement that the department and the Commission can take some pride in, and I am proud of it.

Whether we can respond to the Waterhen request in the present circumstances, I can't say. As I pointed out to the honourable member the other night, it is a system based on municipal grants, per capita grants, and I'm not sure that Waterhen even qualifies under the format of a municipal grant program. Nevertheless, we are looking at it and I will attempt to get an answer as quickly as possible.

On the subject matter raised by the Honourable Member for Transcona, I have to remind him that the ambulance program was and is a municipal grant support program. There may be a strong case that can be made for presenting it and applying it as an extension of insured health programs, but it was not and is not today an insured health program, and once again, if one is talking about changing it into that kind of format, one is talking about a fundamental change in concept of a program. It was a municipal grant support program under the previous government and it is my understanding that the previous government was fairly adamant about that principle. There also, I think, has been substantial support for years by different governments in the province for the principle and the argument that the best administration, the best support, the best format for this kind of a program is local participation, local involvement, local administration.

There are 72 ambulance services in the province of Manitoba and in that context some 200 municipalities are provided per capita grants by the government and with very few complaints the service is operating extremely well. In fact, there are really only two municipalities with complaints about the program. One of them obviously is the city of Winnipeg, and the other is the town of Swan River, which has some legitimate complaints relative to the distance between the city of Winnipeg and the town, and the size of the area which has to be covered by Swan River's ambulance program. But apart from that, Mr. Chairman, the program is working extremely well and has produced a local involvement and a local pride in those communities which have the service. The program is based on the development of a substantial volunteer force and volunteer commitment. It's a source of pride to those in those communities who are members of the ambulance brigade and the ambulance service and I think a great and continuing argument of support can be made for the kind of program that involves local participation to the extent that the current program does.

Apart from the difficulty in Swan River there is obviously the one major challenge in the city of Winnipeg, brought about by the high urban concentration and traffic problems and population density and intra-city distances that have to be negotiated and difficulties that have to be negotiated. We attempted to assist the city of

Winnipeg this year in its problem with a 9 percent increase in the ambulance grant which certainly compares in terms of budgetary increases very favourably with budgetary increases generally across the provincial spectrum. Now the city feels that is still not sufficient and it still doesn't represent adequate response to their problem and I am aware of that. And I have, as I've advised the House earlier, asked the Health Services Commission to put in place a committee which is now in place and at work to review the ambulance system and ambulance programs in this province with a view to bringing in ideas and proposals that can be considered as recommendations to the Minister, to the government, for new initiatives in ambulance programming and ambulance service support in the future. I don't want to speculate on what the result of this evaluation may be, but I can assure the committee, Mr. Chairman, that an improved ambulance system and new initiatives in terms of ambulance support are among the priorities of my department for formulation in the year immediately ahead into program recommendation form for the next fiscal year.

In the meantime we are examining the specific problems relative to Transcona and Charleswood and other areas of the city and have been in consultation with the city on those problems, and I'm advised that the city now has given conditional approval to locate an ambulance at a site convenient to serve Transcona, pending receipt of a report from an ad hoc committee of the city that is studying the situation, and the funds for that service are included in the 1980 budget and consideration is being given to relocate an existing vehicle to an appropriate site to serve Charleswood and provide five minute response time. A particular site has yet to be selected for that section of the city.

And when we talk about five minute response time, Mr. Chairman, desirable as that may be, it's a very difficult goal to achieve for all parts of the city, just as it's a difficult goal to achieve for most parts of the province. I don't suggest that it's any consolation to residents of Transcona or to other parts of Winnipeg which are not served as adequately as some, but the fact is that where a five minute response time is difficult in the city of Winnipeg, or in any other city, it is next to impossible in most rural communities. So we, I think in fairness, have to view the situation in relative terms, and with respect to response to major emergencies and heart attacks, the five minute response time is probably not adequate to save lives.

The fact of the matter is that what is necessary, as well as a better ambulance service, is a much broader public awareness of the need for capacity on the part of all of us as individuals to meet emergencies and particularly cardiac emergencies. And although perhaps some have suggested that it's a diversion and a form of window dressing, I believe that much broader, much wider, in fact if possible total universal extension of education and training in the CPR system of assistance is going to be essential if we are going to make significant impact on the death rate resulting from sudden emergencies and cardiac arrests, because given even the best response by those individuals who are party to an attack, and the quickest connection with an ambulance, and the best traffic conditions, it still is

difficult to achieve a four or five minute response time, and within four to six minutes irreparable brain damage can occur in a victim of a heart attack and other cardiac impairments unless the proper first aid, the proper emergency treatment, is available to him or her at the moment of the attack or within three to four minutes of the attack.

So that complementary to what we must do in terms of improving the physical, mechanical, vehicular side of the program, must come this broader awareness of and knowledge of cardio-pulmonary resuscitation, CPR and we are going to continue to advocate and promote the extension of that knowledge as broadly as we can and I am happy to say that in concert with the Heart Foundation and the Manitoba Medical Association and many employers in the private sector, and indeed many sectors of government, we are making progress in expanding knowledge of CPR and awareness of CPR and the size of the population able to administer CPR.

Mr. Chairman, at this juncture, I can only reassure the committee that the problems of modern, contemporary ambulance service and response are problems that I am keenly aware of, that we have a committee of the Commission working on, and that I hope to be able to address in creative fashion with some improvements and initiatives in the immediate and foreseeable future, but a response to the city of Winnipeg's particular predicament in these next few months is not likely to be manageable. I am looking to the next fiscal year for something new and tangible. In this fiscal year, we believe that the 9 percent budgetary increase, compared to budgetary increases across-the-board, is fair, and that we will have to try to work with the city of Winnipeg in assuring that the service can be maintained at a reasonable level in those circumstances and persuade the city of Winnipeg, if we can, that perhaps funds should be diverted, if they are necessary, from some less necessary services to the City of Winnipeg Ambulance Program for the immediate future.

The report that was the substance for some of the commentary in the media on the condition and efficiency of the City of Winnipeg Ambulance Service is a report that I have had my officials look at and evaluate. I don't intend to go into it in detail or paragraph by paragraph here, but let me just assure you, sir, that we believe that some of the arguments contained in that report and subsequently publicized are somewhat extreme and are not arguments that reflect the universal continuing and regular condition of the service, although no doubt some individual instances and incidences occur that are not addressed as efficiently by the City of Winnipeg Ambulance Service as they should, or as one would hope they should. We are at work on this program, Mr. Chairman, and it will be one of our program priorities for the immediate future.

MR. ADAM: Thank you, Mr. Chairman. I wonder if the Minister could advise what the per capita grant is to the municipality for ambulance service. It appears that there is some money going begging from the Department of Northern Affairs because the community of Waterhen has been offered a detention centre, so there is obviously some money there that

begs spending. I am just wondering if this can't be transferred over, of course depending on how the Department of Northern Affairs would look upon this, but there seems to be some money there available for a detention centre, which the community apparently does not wish to have. This is what I was referring to when I brought this to the Minister's attention the other day.

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

MR. MILLER: Mr. Chairman, you know, I'm listening to the Minister, and he has that wonderful ability of dealing with an issue by bringing in peripheral issues. What we are dealing with here is the Ambulance Program and the fact that it is being underfunded. He talks about the fact that it was started by the former government. It was started as a support program for municipalities, he is right, we had to start somewhere. I can tell you at the time when we were developing the program, we were faced with a totally fragmented system of half a dozen private firms in Winnipeg chasing business, overlapping one another. We felt that the only way to go into this was as a support program to encourage municipalities to do something within their own municipalities and the city of Winnipeg was an example. It was after we made the move that the city of Winnipeg did create an Ambulance Commission, did unify the services and it became one system under the Winnipeg Ambulance Commission.

I agree with the Minister that, sure, this has to be, and ideally is a program that is best administered by the local level; they are on the spot and they can more readily recognize their needs because they will vary from municipality to municipality, a rural municipality from a northern one; an urban municipality is different again from a rural one. So it makes sense that the local authorities are the ones who operate the program, but this doesn't detract from the fact that today, 1980 in Winnipeg, the costs of the program have grown because they have unified and made a decent program out of it. It wasn't a decent program. It was recognized as a logical extension to health care. The Minister can say, well there's more to it, there's other things involved; you've got to educate people in CPR, that is, cardiac pulmonary resuscitation. I agree with him. That's like saying we don't need a Medicare Program. If we all ate better, our nutrition was better, and we didn't smoke, like the Minister is now, and I just butted my cigarette so I can say it, then maybe we wouldn't be spending as much on Medicare. But it is ludicrous to say that's the answer. Until that happy day comes, we need a Medicare system and we need an ambulance system.

I know the Minister is not suggesting we don't, but it bothers me when the Minister brings in a lot of what I consider red herrings into the debate. The city is now being paid, I believe, 27 percent of their budget, which is now what they get through the province, not 50 percent, but 27 percent. It is not adequate. The cost of an ambulance call is about 120.00. I believe the individual only pays 60.00 because the city pays the other portion. Those costs have grown because the ambulance service has developed into a decent ambulance service. Whether

we will ever achieve a five-minute response call, I don't know, it may be impossible. I can't fault Dr. Bristow for saying that's the ideal and that's what we should work for, and don't put two men on a vehicle, put three. If we have three, four is better. There is no end to how far you can go.

I would say that Winnipeg has really a basic system, and a basic system is costly, and the province has a responsibility to support that system adequately. What we are arguing on this side of the House is that the support isn't adequate, and it's as simple as that. So to talk about the other programs of education and how the public generally should become more involved in how to treat heart attacks and so on, that's all very well and good, but that is not going to meet the problem of today. Maybe it will 20 years down the line, but it won't today or tomorrow. The city must get more support. In some areas, what I gather from the debate that took place a few weeks ago on the Member for Wellington's resolution, there are apparently some rural municipalities where the funding is adequate. That's fine. I'm not saying that it must be applied the same right across-the-board. If in fact it is meeting an adequate standard for their needs, then so be it. But we know in an urban area, as the Minister has indicated, in an urban area such as Winnipeg, high density traffic, the different kind of problems that prevail in a city the size of Winnipeg, if that has to be recognized, so be it. You have got to recognize it through the obvious adequate function.

I don't agree that a committee of the Health Services Commission now will look at it and that's the answer. Do we really need another study? I suggest, Mr. Chairman, we don't need another study; it's been studied. The city of Winnipeg can give you chapter and verse. If the Minister is saying the city is wrong, they are asking for impossible service, they are asking for a gilded service the likes of which has no place in Manitoba and if Winnipeg wants it, good luck to them — if he can make that statement, then I might be willing to support him, but he's not saying that. No way, because he knows that isn't so. So, really, I don't see what a study is going to do except prolong the day of decision, maybe until next year's budget when he can get up and announce an increase, but that increase is overdue. The fact that he says it is a 9 percent increase, that's very interesting. Last year there was no increase at all. If you take it over the last three years, it's minimal; it's 3 percent a year.

The city came to grips with the problem that it recognized it had in Winnipeg; it unified it, put it under one commission, made one ambulance service. Whether they have a five-minute response time or a 10-minute response time, I don't want to argue at this point; that isn't the issue. The issue is they put in place an ambulance system which is a logical extension of health care and they are not getting the support of the province. I think, frankly, that the province, in trying to now suggest that it needs a study, is ducking the issue. The studies are made, they are there, the city can provide all the statistics, and they don't need another study; it has been studied half a dozen times by the city and there's plenty of information on file with the Commission itself, at the Commission, and within the department, as I recall, when the thing was first put together.

Mr. Chairman, I just want to put on record my criticism of the Minister for not bringing in this year a more substantial amount in this appropriation. I'm saying that it falls far short of what's needed and it is not meeting the needs of the city except that again, as in many other areas, it is pushing more and more of the costs onto the city and onto the user so the province can say, See, we are spending less money. They are spending less money at the expense of the individual, or of the council of the city of Winnipeg, which has to simply cover off the expenses by increasing property taxes.

MR. CHAIRMAN: (f)—pass — the Honourable Member for Fort Rouge.

MRS. WESTBURY: Thank you, Mr. Chairperson. In speaking to this ambulance section of the Minister's estimates, I feel I have to say a few things first of all about the ambulance service in the city of Winnipeg. Much of what I have to say, I won't have to say tonight because I'll be speaking to the motion that was introduced by the Honourable Member for Wellington, but I do think that it would be improper to let this pass without a few comments.

I feel one of the things that we should be looking at is the total integration of the fire and ambulance services. I think we could expect the ambulances to be better placed in some of the fire halls, and consequently a better response time, more control over the personnel and a higher level of service.

I'm completely sympathetic with the needs and aspirations of the people of Transcona when it comes to ambulance service. I think it is appalling that they don't have an ambulance. What people don't seem to realize is that the entire area of River Heights, Charleswood and Tuxedo also doesn't have an ambulance in that immediate locality, so my informants at City Hall tell me. They are protected by the fire department, with a stretcher, and when they need an ambulance, it has to either come from Osborne Street or Lipton Street across the St. James bridge, and everyone knows how congested the St. James bridge gets at certain hours of the day. So it is not only Transcona, it is this other area of the city as well. I'm surprised that more people on the government side are not protesting as loudly as the Member for Transcona about the need in their particular area. Strangely enough, this was never mentioned at City Hall either. I don't understand. The city councillor for Transcona was constantly talking about the need for an ambulance in Transcona, as the honourable member is here, and why we never heard about the lack of an ambulance in the River Heights, Charleswood and Tuxedo area, it was something that escaped me altogether.

Reference has been made to the study that was made by doctors, and some of the things that were mentioned in this report really are pretty appalling. This report was based on, it says, 849 cases in 1977 and 1978, and it discovered that 96 percent of Winnipeggers who suffered heart attacks outside hospital died before getting there. The suggestion was made by the Chairman of the Medical Standards Committee of the Winnipeg Ambulance Service, that an independent commission should be set up, and that's what we're all hoping will happen, to report

and to take an inventory of what we have at the present time. Standards across the province, the Chairman says, are very minimum and vary widely, especially in the small rural communities where there is private operation of ambulance services.

Now we were told that the government has assigned a review of ambulance programs to the Manitoba Health Services Commission. That was done in February, I understand, and I hope that we'll be getting a full report on that. It's obvious that we need a faster response time, I think all over the city, but particularly in these areas that are not being served or are being minimally served by ambulances coming, especially in heavy concentration of traffic, from far outside of their area. I just don't think this can be repeated enough, Mr. Chairman. The whole thing has just never worked out satisfactorily, even though the city-operated ambulance service was initiated in response to many, many problems and many, many complaints from citizens of Winnipeg, but it just has not been possible to have a first-rate ambulance service.

The further information was that when an ambulance takes more than ten minutes to arrive to a heart attack, it's very unlikely that the victim of the heart attack will survive, and for Transcona and for River Heights, Charleswood and Tuxedo, this must be a pretty unhappy situation.

I think everybody on this side seems to feel that the provincial government should be paying half, anyway, half of the costs of providing first-rate ambulance service to the city, which has over half of the province's population. I personally feel that the Minister would agree with that, and perhaps the Minister also regrets that he is not able to offer more assistance to the city, but in the meantime, what is being done is woefully inadequate.

And there's another problem I wanted to refer to. I understand there is no infant transportation system. The first hours after birth are the most critical for babies born with problems, and it being impractical to have all the facilities for care of sick newborns at all hospitals, it becomes imperative that they have to be transferred immediately to the hospital that has the proper equipment. At present, I understand an ambulance is used for this purpose, when a newborn has to be transferred. The people in the profession tell me that that is inadequate; the people in the ambulances do not have the training or the equipment to deal with high risk births, with high risk newborns. And I'm told that a specially trained team with a proper vehicle for this kind of transference, and with the proper equipment, could prevent many long-term health problems for these newborn babies with high risk illnesses, by transporting them safely and quickly to a high risk centre, they tell me, where they can receive proper treatment and where long-term disabilities would be prevented.

This is another occasion where some moneys spent to provide proper equipment and facilities at the beginning of their lives would, even from an economic point of view, prevent great problems for many years with some of these little babies, and I think that we should perhaps be looking at providing adequate equipment and a proper vehicle for newborn, high risk infants. This is something I've learned as a member of the task force on maternal and child health, Mr. Chairperson, and I know that

task force is something that's dear to the Minister's heart, and is something that is funded in part by the province and this is something I wanted to bring to him. I'm sure it will be part of the task force's final report, but in the meantime, some of the professional people have been pointing out this deficiency in the provision of care for high risk newborns and for their transportation from the place of their birth to one of the hospitals with the proper equipment to look after their problems, and the need for this equipment to be placed in the carrying vehicle, or the ambulance.

Thank you, Mr. Chairperson.

MR. SHERMAN: Mr. Chairman, I thank the Honourable Member for Fort Rouge for her comments, and I want to advise her that a high risk newborn transport program is one of the new programs being introduced this year through the Manitoba Health Services Commission, and will be dealt with when we reach the medical services portion of the current appropriation that we are examining.

The two teaching hospitals in Winnipeg, the St. Boniface and the Health Sciences Centre, provide tertiary care for high risk maternity cases and high risk newborns, as the honourable member knows, and we are implementing recommendations of the Minister's advisory committee on maternal and infant care in introducing this new high risk newborn transport program this year. The program calls for the upgrading of those two tertiary high risk care units and also for the establishment of a second high risk unit at the Health Sciences Centre, at the Womens' Centre. It calls for the development of a Health Sciences Centre based program for transport of high risk newborns from rural areas, as well as from points within Winnipeg, to the two high risk centres, the Health Sciences Centre and St. Boniface.

It also calls for the establishment of an interdisciplinary consultant service team. The current estimates in front of us include 704,000 to provide for upgrading in the two hospitals in the form to which I have just made reference, plus 182,000 for the provision of that newborn transport system, a specially equipped ambulance with a special team aboard.

I have said, Sir, that this program really emanates from recommendations of the Minister's advisory committee on maternal and infant care, and it does, but I want, also, to give recognition to the task force on child and maternal care that is at work under the aegis of the Social Planning Council of Winnipeg for the counsel and the advice and the recommendations that thus far have come forward from them. In combination, those two areas of advice have produced the new program in recommendation form to us, and it's now taking on tangible form as a new insured program under the Manitoba Health Services Commission being put in place this year.

MR. CHAIRMAN: (g)—pass; I'm sorry, (g) Northern Patient Transportation Program—pass — the Honourable Member for The Pas.

MR. RONALD McBRYDE: Yes, Mr. Chairman, I wonder if the Minister could bring us up to date,

from his little book, in terms of what is happening with this program? A summary and updating.

MR. SHERMAN: Mr. Chairman, as the Honourable Member for The Pas knows, the Northern Patient Transportation Program was originally administered by the Department of Renewable Resources and Transportation Services, as it was then called, and since the autumn of 1977, the responsibility for administration of the program has been vested in the commission. The budgetary appropriation for the coming year, as the honourable member can see, is the same as last year, 1,260,000, and the explanation for that lies in the fact that in 1979-80, last year, the elective part of the program that is administered by the local northern regions, and those are Thompson, Flin Flon, Churchill and The Pas, were able to operate at a lower cost than approved for the year. And I must say, Mr. Chairman, that my officials advise me that the reason for that is because of the efficient and dedicated work of the local administration in each case.

We believe, on the basis of the budgetary appropriation being requested by the committee and in front of you in print for 1980-81, that the needs of these communities can be met at that figure of 1,260,000.00. If it's necessary to consider an increase in the funding for the program for 1981-82 to ensure that the needs of northern residents are met, that certainly will be considered, and I certainly would give my honourable friend the commitment here and now that it not only will be considered, but it will be built into any future budget. But on the basis of last year's record, we believe this funding to be perfectly adequate, not just adequate, but perfectly adequate for this year. The purpose, of course, of the program, as the honourable member well knows, is to subsidize the transportation of emergency cases and hospital transferred cases, and certain elective medical and surgical cases for residents who live north of the 53rd parallel in Manitoba to hospital and medical services in the south, most notably in Winnipeg. Of the 1,260,000 gross program costs, approximately half, 590,000 is administered directly by the commission for payment of emergency transport and urgent hospital-to-hospital transport, and the remainder, 670,000, is administered by the four local committees to which I referred, Thompson, Flin Flon, The Pas and Churchill. These committees, incidentally, Sir, decide on the spending priorities in elective cases.

There is an advisory committee to the commission which advises that body, and subsequently the Minister, on matters pertaining to program objectives and amendments and attainments of those objectives, where this transportation program is concerned.

MR. CHAIRMAN: (g)—pass — the Honourable Member for The Pas.

MR. McBRYDE: Mr. Chairman, I wonder if the Minister has any more detailed statistics in terms of usage, especially if there has been a change in terms of usage from remote communities to nearest medical services.

The other question, Mr. Chairperson, is whether the Minister — in the past there was a set of

guidelines that were set out and applied across-the-board in terms of the program. I am assuming now that there is some more, he said, priorities and guidelines set out, and I wonder if he has those in a form that he could share with us, whether they're available in that form. And whether, Mr. Chairperson, and I agree with the principle in terms of what has been done in terms of getting more of the authority down to the local level where they know the situation, where they know what's going on, and where they can more effectively make the decisions; rather than having decisions being made centrally, they're able to have some input at the local level. Maybe the Minister could even share his experience with this program with his colleague the Minister of Northern Affairs, who is moving in exactly the opposite direction and taking more and more responsibility away from the communities and putting it into the hands of bureaucrats, specifically accountants and bookkeepers, who are running that other department at this time.

Mr. Chairman, I wonder if the Minister wants to respond at this time to those questions?

MR. SHERMAN: Mr. Chairman, I'll have to take the first question from the honourable member as notice, the question pertaining to changes in usage of the program. I can't answer that at this juncture, but I will investigate it and provide him the answer as quickly as I can. With respect to the priorities and guidelines for the program, the guidelines, Sir, are established locally by the local communities and the local committees in those regional committee centres, Churchill, Flin Flon, The Pas, and Thompson. We don't impose guidelines on them. They are locally established. I might say that with respect to the budgetary figure for this year and referring to the point I made a minute ago about the fact that those northern regions were able to operate last year at a lower cost than had been approved for the year, that the decision to return the surplus and thus set the stage for the determination of this year's amount at the equivalent level of 1.2 million, came from the advisory committee. It was not a decision that was made either by the commission or in my office. The advisory committee made that suggestion on their initiative, and just for the information of the honourable member, that committee is comprised of membership from the College of Physicians and Surgeons, the MMA, Manitoba health organizations, two administrators from hospitals in northern Manitoba, the Department of Health, the Manitoba Health Services Commission, and one citizen member from northern Manitoba.

On his last point with respect to northern affairs and any anomaly or inconsistency that he may see respecting approaches taken by that Ministry to northern program and approaches reflected in the northern patient transportation program, I think he would have to take that up with the Minister of Northern Affairs. This program is locally based, locally established and its priorities are locally set. We believe it works best that way with that local involvement, local input and local decision making, and certainly I have no desire, intention, or plans to change a good thing when it is working well.

MR. CHAIRMAN: The Honourable Member for The Pas.

MR. McBRYDE: Mr. Chairperson, I'm assuming then from the Minister's comments, that because this amount is divided in half in terms of administrative control, that the 590,000 that was in the Commission's section was fully expended or close to fully expended, but the savings came in the 670,000 that was in the community control, that that is where funds were saved.

Mr. Chairperson, I am wondering if these committees that operate on a regional basis, if their guidelines are fairly consistent, that is, with a person in need of a certain kind of operation from Churchill, would probably be treated the same as a person needing that kind of operation in The Pas, and the mechanism of it. Does the Minister give a block amount to each region, a block funding system for each region, or is there the general amount there and then each region makes decisions on how they will operate?

MR. SHERMAN: The 590,000 administered directly by MHSC, Mr. Chairman, was over-expended. There was an over-expenditure in that area. That is the amount that is expended for payment of emergency transport and urgent hospital to hospital transport, and we just pay the bills on a fee-for-service basis; in fact, we were over-expended in that area. It was in the 670,000 category administered by those four local committees that was administered so well, that enabled them to come in with an under-expenditure.

The question as to consistency or comparison between guidelines and application of the program and priority choices etc. is a difficult one to answer, Mr. Chairman. We stay out of it. My information is that the difficulties we had with the northern patient transportation program before when it was administered under the other department, emanated largely from the fact that we attempted to establish guidelines and apply those guidelines, and the system and program worked much better by putting those decisions at the local level. The local committees make those decisions without relevance to anything, any directives coming from here and as far as I know, without reference to what the other committees are doing. They make their own decisions on need, on priority, on urgency, on the basis of the local situation and the judgement that they bring to it in that context. I don't think there are any guidelines in an enshrined sense that each committee attempts to observe on a universal kind of basis. It is entirely an individual local decision, Sir.

MR. McBRYDE: Mr. Chairperson, it's not clear then to me how the — would it be the case then that this amount, that all the four committees he mentioned, the regional committees, draw on this amount as they see fit, or is there some division of the money like a block funding available on a regional basis? And then — well, I'll let the Minister answer that part of the question.

MR. SHERMAN: Mr. Chairman, my answer to the Honourable Member for Seven Oaks is yes, and my answer to the Honourable Member for The Pas is that — he just asked me out for dinner, Sir. No, he

just asked me if we were going to adjourn at the conclusion of this particular item. I said yes.

To the Honourable Member for The Pas, the funding is done on a block funding basis. The block funds are based on populations in the areas served by those committees, and then each region committee is responsible for its own global budget and administration of that block grant that it gets.

MR. McBRYDE: Mr. Chairman, were all four regions under-expended by about an equal amount, or was one of them over-expended and the other three under-expended, or how did that block funding break down?

MR. SHERMAN: In 1979-80, which obviously is the last year that we can examine, Mr. Chairman, the block fund for Churchill was 48,300; block fund for Flin Flon was 155,400; the block fund for The Pas was 150,150; and the block fund for Thompson was 433,650, for a total of 787,500.00. All that was expended or was found necessary was something less than 670,000, which is the amount that is being budgeted and block funded this year, and all four were under-expended up until very recently, which was the close of the last fiscal year. At that point, when the final accounts came in, all were under-expended, except Thompson. Thompson was over, but there was sufficient in the budget to make up the difference.

MR. McBRYDE: Mr. Chairperson, I lost my train of thought when my colleague spilled his coffee — when his coffee was transported by air to the floor.

MR. SHERMAN: Mr. Chairman, while the honourable member is collecting his train of thought on that point, maybe I can shed more light on the situation by giving him this year's budgetary breakdown, which is based on last year's experience. This year the block fund for Churchill is 22,000; the block fund for Flin Flon is 82,200; for The Pas it's 111,000; and for Thompson, it's 454,800; for a total of 670,000.00. And those are based on last year's experience.

MR. McBRYDE: Mr. Chairperson, I guess the question that comes to mind with this kind of structure, when the initial criteria was fairly arbitrary in terms of probable populations served, I assume by that region, and then each region was able to make its own decisions in terms of the expenditures, I guess the question that comes to mind, especially having dealt with the bureaucracy for a number of years, is, is the Minister quite satisfied that Thompson maybe wasn't much more lenient in their approach to the use of the program, and therefore now is being rewarded by an increased amount, and the other three regions were much more restrained in terms of their use of the program and are therefore being reduced in the amount. If there's sort of, no common guidelines, I wonder if that is a concern of the Minister's, or whether that's even a possibility, or it's something that I should just dismiss from my mind.

MR. SHERMAN: No, I don't think the honourable member should just dismiss it from his mind, Mr.

Chairman, because both of us have had experience with the bureaucracy, and certainly endemic in the bureaucratic system is the kind of danger that he talks about, the lack of incentive for trying to come in under budget in most instances, the fact that frequently those efforts are penalized rather than rewarded. I'm sure it's something that he deplored when he was in the Executive Council, and it's something that I similarly deplore, and I think, together, we should work on solutions to that difficulty in government.

So I don't think he should dismiss it from his mind at all. It's a good point and a good question, but I am advised that the arrangements, that the block funding were worked out in consultation, and at this juncture they appear to be satisfactory insofar as the respective regional committees are concerned. If they are not, if there is any difficulty, I will make every effort to find additional support in the funds available to the department.

MR. CHAIRMAN: The Honourable Member for The Pas.

MR. McBRYDE: Mr. Chairperson, once in a while — and fortunately it's not very frequently — you do hear a complaint about someone who thought that they should have been handled differently by the regional committees. You hear a story of someone with a back injury being sent by bus to Winnipeg to treatment instead of by plane. And, Mr. Chairman, I have no way to confirm whether that was the real case or not. Does the Minister get very many direct complaints about how the program is now being administered, the type of guidelines that are now being used?

MR. SHERMAN: Mr. Chairman, I think about the only answer and reassurance that I can give the Honourable Member for The Pas on that point is that the Commission advises me that there were all kinds of complaints of the type that the honourable member mentions when the program was being administered by government, when it was being departmentally administered, and that since it has been put in the hands of the local committees that we have not received any such complaints, or certainly not any significant number. I dare say there are always individual instances that crop up occasionally, but the frequency of them is miniscule, whereas under the former format there were considerable complaints of that kind.

MR. DEPUTY CHAIRMAN: The Member for The Pas.

MR. McBRYDE: The other question that comes to mind is in terms of the more remote communities. The committee is basically composed of people from the urban centres in northern Manitoba; and the question that comes to mind is, are decisions about air transportation from a remote community to the nearest doctor, the nearest medical facility, do they fall under the regional committees or do they fall under the general amount that the Commission handles directly as emergency transportation?

MR. SHERMAN: If it's an emergency, Mr. Chairman, it would come under the emergency category of the program which is administered directly by the Commission, because at that point in time we get into that area of the budget where the Commission pays fee-for-service for emergency transport.

MR. McBRYDE: Mr. Chairperson, that's the question, because where there has been a conflict before, it's been around the definition of emergency in terms of that someone in a remote community thinks that their child requires emergency transportation to Thompson or The Pas, and then that decision in the past was sort of made by the nurse, if there was one in that community, and by the nurse in contact with the doctor if the radio-telephone system was working, etc. So there was always a question about the nature of that emergency. I don't know if it's true or not, but one of the Lambair pilots always told the story about a woman in one community that says And don't forget that I'm going to be sick tomorrow at 4:00 o'clock and I need to go into town.

I don't know if that's a true story or not, but there's always been a debate about what is and is not an emergency. I'm assuming then that the Commission is basically operating in those remote communities on the former criteria and making the payouts on the basis of that former criteria.

MR. SHERMAN: Except, Mr. Chairman, that the Commission responds to the request of a doctor or a nurse. The actual diagnosis of the emergency is made by the medical person on site, or the medical person who has been contacted by radio telephone or whatever, either the doctor or the nurse. The responsibility then for putting the emergency machinery into action rests with the Commission and the responsibility for paying for it rests with the Commission, but the actual medical decision is not made by the Commission.

MR. McBRYDE: So maybe, Mr. Chairman, the Minister could provide at a later date an answer to the earlier question I asked, and also if he could get some breakdown in terms of the amount that aircraft are used, like charter aircraft, and the amount that the commercial flights are used, and the amount that the bus is used, or other type of ambulance services used besides air transportation.

And the other question, Mr. Chairperson, is a very specific one. Initially when the program was set up the community of Grand Rapids was included under this program, and I wonder if that is still the case or whether they are no longer included in that program, and if they are, what region would they fall under then?

MR. SHERMAN: Could I add that question, Mr. Chairman, through you to the honourable member, that question on Grand Rapids to the other two questions that I've taken as notice, the first one a few moments ago and the question now about the amount of use of charter and commercial aircraft and buses. I would have to add the question about Grand Rapids to that list; I don't have that answer, nor do my officials.

Tuesday, 29 April, 1980

MR. DEPUTY CHAIRMAN: (g)—pass.

MR. SHERMAN: Move that committee rise, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Committee rise.