

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 3 May, 1982

Time — 2:00

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. D. James Walding (St. Vital):** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . .

## INTRODUCTION OF BILLS

**HON. VIC SCHROEDER (Rossmere)** introduced Bill No. 26, An Act to amend The Human Rights Act and Bill No. 27, An Act to amend The Summary Convictions Act.

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** May I direct the attention of honourable members to the gallery where we have nine students from six different countries of the AFS Student Exchange, who are attending Manitoba collegiates. These students are under the direction of Mr. Wesley Stevens.

There are also 40 students of Grade 11 standing from the Altona Miller Collegiate. These students are under the direction of Mr. A. Schmidt and the school is in the constituency of the Honourable Member for Rhineland.

On behalf of all of the honourable members, I welcome you here today.

## ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**HON. STERLING LYON (Charleswood):** Mr. Speaker, I have a question for the First Minister. It's our understanding that the government received a signed petition containing 3,400 names from the Stonewall and the Teulon Chambers of Commerce advocating that the government proceed immediately to complete the negotiations with Alcan for the establishment of that large \$700 million to \$800 million smelter in the Inter-lake area and to locate it at the Balmoral site as previously selected by the company.

Could the First Minister indicate, Mr. Speaker, what response he and his government will be making to this petition which seems to carry with it a great deal of the feeling of the people of Manitoba?

**MR. SPEAKER:** The Honourable First Minister.

**HON. HOWARD R. PAWLEY (Selkirk):** Mr. Speaker, I have not received the petition that the Leader of the Opposition refers to. I suspect that the petition may have been presented, if indeed it was, to the Minister of Energy who will be present in a few minutes' time.

**MR. LYON:** Well, Mr. Speaker, one does not have to physically receive the petition when one understands

from newspaper reports that it is in the possession of the government. The question remains outstanding, what is the attitude of the First Minister and his government toward this petition?

**MR. PAWLEY:** Mr. Speaker, the petition, of course, is one that will be considered as any other petition would be received. That does not detract from the work that is under way now by way of the committee to review the prerequisites and conditions as per the establishment of Alcan in the province. So though the petition will be, I am sure, seriously weighed and considered by the Minister, it does not detract from the Terms of Reference that are under way at the present time by way of discussion of the committee.

**MR. LYON:** Mr. Speaker, a question to the First Minister or to the Minister of Finance. According to newspaper reports, the Provincial Auditor advises that he has received instructions to terminate the private audit of Crown corporations, which has been carried on in a normal fashion of all other governments in Canada for the past four years, and now to do this type of auditing internally. Could the First Minister advise if this has now become the policy of the Government of Manitoba?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. SCHROEDER:** The policy of the Government of Manitoba is not, in fact, the policy that was stated in that newspaper article. The policy is that we will look at each particular Crown corporation as they come up for renewal. Just for instance, we have recently awarded the auditing contract with respect to ManFor to the Provincial Auditor on the basis that we are assured by the Provincial Auditor that the auditing will be at least as well performed as it would have been under the previous contract and that the total costs, including overhead, for the year would be \$50,000 as opposed to the bid by the other auditor of \$72,000.00. Based on that, we awarded that contract to the Provincial Auditor. We will look at these other Crown corporations on an individual basis.

**MR. LYON:** Mr. Speaker, by way of preface it was our understanding, of course, from previous questions in this respect that the government was conducting such a review. Are we to take it from the comments of the Minister of Finance that review has been completed, or alternately has — I believe he has just stated that each Crown corporation will be dealt with seriatim or on its own merits with respect to cost? A supplementary, is cost the only factor involved?

**MR. SCHROEDER:** Yes, Mr. Speaker, the review has been completed and we have determined that we will look at each of those separate Crown corporations and commissions in a case-by-case way and if the people, who are currently doing the auditing, can do it at a cheaper price than the Provincial Auditor, then surely we are not going to change.

**MR. LYON:** A further supplementary, Mr. Speaker, to the Minister of Finance, would he make available to the House, the material upon which he arrives at his determination as to whether or not the private audit would, in fact, be less costly or more costly than the in-house government audit.

**MR. SCHROEDER:** Yes, Mr. Speaker, I will take that question as notice.

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

**MR. ARNOLD BROWN (Rhineland):** My question is to the First Minister. The November 3rd, 1981 addition of the Brandon Sun carried an article stating that the New Democratic Government would eliminate the Manitoba portion of capital gains tax on family farms. Will this be done during the first Session of this government, as was promised?

**MR. SPEAKER:** The Honourable First Minister.

**MR. PAWLEY:** Mr. Speaker, the question relates to Budget and will be dealt with at Budget time.

**MR. BROWN:** My question is to the First Minister. Many farmers are presently forced into a position where they are auctioning their farm equipment in order to pay their debt obligations. Will the First Minister also take into consideration eliminating the Manitoba portion of capital gains tax on farm implements, so that more money can go towards debt elimination.

**MR. PAWLEY:** Mr. Speaker, I think you will agree that it is not the practice or the tradition of Parliament to deal with questions pertaining to the Budget prior to the Budget being announced itself.

**MR. BROWN:** A supplementary question, because of the serious financial situation that farmer have been forced into because of low prices for their commodities and high interest rates, will the First Minister make presentation to the Federal Government to also eliminate the capital gains tax on farmland as the previous Clark Government would have done?

**MR. SPEAKER:** The Honourable Member for Roblin-Russell.

**MR. J. WALLY MCKENZIE (Roblin-Russell):** Mr. Speaker, I have a question for the Honourable Minister of Health. Can the Honourable Minister advise the House what the conditions are at the Grandview School to date?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. LAURENCE DESJARDINS (St. Boniface):** The latest that I have, Mr. Speaker, is that the school is still closed today even though the monitoring of the air all weekend yielded no carbon monoxide.

However, they have discovered a hole in the line of one of the air conditioning components up on the roof and all the Freon gas in that line had leaked out. They

are suspicious that this Freon, being heavier than air, may have sunk down into the area near the furnace and might have been drawn into the furnace. If this had happened it would break down into chemical components, which include carbon monoxide which could have been passed out through the chimney and sunk back down again in through the vent into the gym.

The environmental people in the Department of Labour are having the components of the boiler analyzed and will keep us informed. They are continuing the monitoring of the air in the school and the result of the blood samples are not available yet. I am quite disappointed at that, but apparently the local doctor mailed the sample instead of making sure that they would go immediately. I hope that I might have the result sometime today.

**MR. MCKENZIE:** A supplementary question to the Honourable Minister, Mr. Speaker. I visited the site on the weekend and I'm wondering the concerns in the area indicated to the Honourable Minister that maybe the expertise there were thought to have some of the answers, but the matter was drawn to my attention that the experts that were there were able to handle these monitors around and try and find the source of the surplus carbon monoxide, but they were not the right people to break down the problems with carbon monoxide. I'm wondering, to the Minister, if this or another occasion arises such as this, maybe an expertise of higher academic standing would be more helpful in tracking down a problem such as this.

**MR. SPEAKER:** The Honourable Minister of Health.

**MR. DESJARDINS:** Mr. Speaker, I certainly will have to take that as notice. I think, first of all, you have to detect the problem and then the corrections would follow if need be. I've always been informed that we have the right people at the time to detect the problem. It was a very difficult thing to do; I think they worked quite hard and I have nothing but praise for the people that have tried to find a solution. As I said, it wasn't an easy solution; I'll take that as notice to see if that matter can be improved.

**MR. MCKENZIE:** Mr. Speaker, I would question the Honourable Minister of Education. I wonder, can the Honourable Minister advise the House if she or her department are concerned now that the children, Grades 1 to 9, in Grandview School have been out of school for over a week and if other arrangements shouldn't be possibly set up at this critical time in their education as they prepare for exams so that they could attend some form of a school.

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. MAUREEN HEMPHILL (Logan):** Yes, Mr. Speaker, I would like to indicate to the honourable member that I have been in communication with the school board and the superintendent daily since this problem arose, as I think it's understandable that the first concern of everybody in this Chamber and in the school division was the safety of the children and that

had to be the first concern was making sure that we were not putting the children in a situation where we were not confident that it was safe for them. We hoped all along that the problem was going to be solved very quickly and it seemed initially that it was, so the school board did not initially make alternative accommodation plans. They are presently in the process of doing so.

We have had discussions about the question of increased time, whether or not the children are going to need to make up the additional time. I have left that question in the hands of the teachers, Mr. Speaker, and the school board to wait until they begin the studies again and communicate to me whether or not they think the children need additional time to make up the studies that they have lost. They are in the best position, I think, to know what time has been lost and whether it's going to cause serious effects on the children.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. R. (Bud) SHERMAN (Fort Garry):** Mr. Speaker, my question is to the Honourable Minister of Health. He indicated some days ago that subsequent to the MMA meeting on Saturday, May 1st, he would be inviting the negotiators back to the table to discuss the 1982-83 fee schedule. Has that been done, Mr. Speaker?

**MR. SPEAKER:** The Honourable Minister of Health.

**MR. DESJARDINS:** Mr. Speaker, my information is that the Manitoba Health Services Commission will be holding a meeting with the negotiating team of the MMA tomorrow afternoon.

**MR. SHERMAN:** Mr. Speaker, can the Minister advise the House whether he's had any communication from the MMA with respect to the meeting that they held on Saturday and any conclusions that they reached at that time? Have they conveyed any sense of Saturday's meeting to the Minister?

**MR. DESJARDINS:** No, Mr. Speaker. A week-and-a-half ago, I answered a letter from the MMA and told them at the time that yes, we would be glad to accept their invitation of resuming negotiations because they had stated that there would be no precondition. They had announced at the time that there would be job action; that was a concern of ours. Now, we're going on the assumption, of course, that come Wednesday the decision will be to negotiate without any strike action and without any preconceived conditions at all. I haven't heard from the MMA at all since their meeting. I've read the report in the newspaper; that's all I have at this time.

**MR. SHERMAN:** Mr. Speaker, then may the House assume that the MMA has accepted the Commission's invitation to meet, I believe the Minister said tomorrow afternoon, and that the MMA will be participating in that meeting?

**MR. DESJARDINS:** Mr. Speaker, the Chairman of the

Manitoba Health Services Commission was in contact with them today and my information that they accept — I said tomorrow afternoon, I think it's tomorrow afternoon, but I'm sure it's tomorrow anyway — but the main thing is that the offer was made. We had suggested that we would wait until after this weekend to make sure we followed through with what I had stated to the MMA. The Chairman, as I said, was in touch with them this morning and he left the time of the meeting to them and apparently they said they would like to meet tomorrow. But again, I repeat, we are going there and the Commission is going with the assumption that there won't be any condition, no strings attached and no strike action while the negotiating is going on.

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

**HON. GARY FILMON (Tuxedo):** Thank you, Mr. Speaker. My question is for the Honourable Minister of Economic Development and Tourism.

In a recent article the Minister is quoted as saying, "Capitalism is in its late stage and that isn't helping Manitoba's economic development. I think the negatives of the capitalistic system outweigh the positives but while we're critics of it, we can't abolish it. What we want to find is how we can transform it." Very simply, my question, on behalf of many who might be considering investing or moving to Manitoba, is: Into what new economic system does the Minister propose to transform the Manitoba economy?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. MURIEL SMITH (Osborne)** Mr. Speaker, we would like to transform Manitoba's economy into a more balanced system so that people having input are also getting a fair chance at getting a benefit. We're interested in moderating the market systems so that those elements which tend to be unstable or which to ten concentrate well and those elements which tend to deprive some people from a fair chance of participating can be moderated.

The members opposite may have their own concepts of what label to apply, but I would call it a sane social democratic economic system.

**MR. FILMON:** Mr. Speaker, I wonder if the Minister could indicate where else in the free world does such a system as she's just described exist?

**MRS. SMITH:** Mr. Speaker, the questionnaire is assuming that the definition of free is somehow agreed upon and simple. I would suggest that it is often used in a distorted way. There are many kinds of freedom; there's freedom of thought, there's freedom of action and there is freedom of access to the basic economic needs of life. I submit what we're looking for is a system which guarantees all those freedoms and does not deny economic freedom.

**MR. FILMON:** Well again, Mr. Speaker, where can the Minister tell us that this now exists, such a society with these freedoms?

**MRS. SMITH:** Mr. Speaker, the members on this side are not hung up on imitating any existing system; we are interested in creating a fair system. Moreover, we think that's what the people of Manitoba want and we have confidence that is what we are about to do.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. LYON:** Well, Mr. Speaker, I would like to direct another question to the Minister of Economic Development. If in pursuance or in pursuit of this elusive utopia, this elusive social democratic utopia about which the Minister speaks, she and her colleagues in this pursuit, have the effect of turning off and dampening development that might otherwise take place in Manitoba because of these rather odd ideas about a socialist utopia; is she not concerned, Mr. Speaker, that this might have the effect of reducing investment and job opportunities in Manitoba from people who really don't understand this kind of nirvana or socialist utopia that she's trying to create in Manitoba?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**MRS. SMITH:** We do not think the concept of having a goal of a fair society is elusive. On the other hand we recognize that in order to achieve a better system, we have to move step by step. Mr. Speaker, we submit that the best way to move towards a fair system is a balanced investment approach by both public authorities and private authorities along with maintaining a fair set of social programs.

We submit, Mr. Speaker, that the interaction of those three approaches to development will produce the most benefit for the most people and that is what we're interested in.

**MR. LYON:** Mr. Speaker, working from the well accepted axiomatic proposition that for a society to have individual freedom, such as we do in good measure in this country to the envy of most other countries in the world, it must also have a balancing of economic freedom as well in order to permit it because in the history of nations that has always been the coupling that has taken place.

Would the Minister mind advising the House and the people of Manitoba about what she feels, what is her personal feeling about how much individual freedom can afford to be sacrificed in the attainment of her socialist utopia that she is trying to create in Manitoba?

**MRS. SMITH:** Yes, Mr. Speaker, I am happy to talk about my notion of freedom. I think the respect for the freedom of thought and personal development is absolute on our part. I think where we start to look at a different concept of freedom is when we're looking at limited resources, Mr. Speaker. Where there's limited resources we prefer to apply what we call a family or community ethic where we say that the strong should not be greedy and have all that they can grab, but rather that they should use their ability and their strength to build a fair and sharing society for all those members of society, Mr. Speaker. We maintain

that in the long run that's the best way to guarantee optimum freedom for us all.

**MR. LYON:** On a final supplementary, Mr. Speaker. This idealistic utopia about which the Minister speaks, would she say that it exists today in Canada and the United States, which are two of the freest countries in the world?

**MRS. SMITH:** Mr. Speaker, I am not sure that the question asked really wasn't something of a non sequitur, but I'll try to deal with both parts of the question. When it comes to ideals and practice, Mr. Speaker, our belief is that good ideals lead to good practice and good practice should reflect good ideals. We don't accept that there's a split.

With regard to what models we're following, Mr. Speaker, we acknowledge that there are many, many strong and good aspects to the system that we have here in the United States and Canada, but, Mr. Speaker, we think it's putting our head in the sand to think that the history of the economic development of these countries hasn't reflected serious problems; we think it's a very unintelligent, unaware, unsympathetic view to think that somehow a simple formula applied to the future is good enough.

Mr. Speaker, we believe in learning from experience, learning from the experience of depression and war and instability and using our God-given brains and compassion to build on the mistakes of the past, learning from them and creating a better fairer system. We have not given up hope that a better system can be created, Mr. Speaker.

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

**MR. FILMON:** Mr. Speaker, I wonder if the Minister could now inform us, if unlike her federal counterparts in the New Democratic Party, her idea of freedom includes the right of individuals to own property?

**MRS. SMITH:** Mr. Speaker, the member opposite suggests that somehow hidden in the policy papers of the federal party is some little statement that private property is a no no. Mr. Speaker, I've spent many, many hours working with — writing and collaborating — people who've developed federal policy. I have never once, Mr. Speaker, seen or written any statement that would suggest that private property is bad.

Mr. Speaker, the question raised is when there is a limited supply of some resource here in Canada, here on this earth if you please, that the ethics should be how best to share it so the human family can find a viable way of surviving and not merely the people who happen at the time to have the power either of decision-making or of capital reserves to dominate the situation. Mr. Chairperson, I think it's a simplistic way to put the question.

**MR. FILMON:** Mr. Speaker, will the Minister not acknowledge that one of the prices that the Federal New Democratic Party put on their acceptance of the Trudeau entrenched Charter of Rights, was that the right to own property be not included in that Charter?

**MR. SPEAKER:** The Honourable Minister of

Economic Development.

**MRS. SMITH:** Mr. Chairperson, I think the amendment that the NDP — Mr. Speaker, I'm sorry. The . . .

### POINT OF ORDER

**MR. SPEAKER:** Order please. The Honourable Leader of the Opposition on a point of order.

**MR. LYON:** On a point of order, I believe that the customary form of address for you, Sir, is Mr. Speaker. There is no such word in the English language as "Chairperson."

**MR. SPEAKER:** I thank the honourable member for bringing that to the House's attention.  
The Honourable Minister.

**MRS. SMITH:** Mr. Speaker, I accept the point of order in a halfhearted way. I guess I still believe that the English language is evolving and the term "Chairperson" has come to have meaning to those of us who have too often found that chairman is interpreted literally and that only men occupy those positions.

However, to the point at hand, the question of amendment to the Charter of Rights, the NDP were hoping to put in an amendment that dealt with no interference with the right to private property without due process. Mr. Chairperson, that amendment I don't think went through in the debate, but the underlying principle, Mr. Speaker, was that no one has the sacred right to own parts of our common heritage. If other people are going to be in extreme want, Mr. Speaker, that is the basis of our approach to the resources of this world. We do not believe that the right to own property is more basic than the claim of the human beings in Canada or, in fact, in this world, Mr. Speaker, to a fair share of the world's resources.

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G.W.J. (Gerry) MERCIER (St. Norbert):** Thank you, Mr. Speaker. Having heard this interesting discussion, Mr. Speaker, I have a question for the First Minister. In view of the fact it was revealed during the Labour Estimates that the Youth Job Program to be implemented by this government this year will only be providing 1,500 jobs for young people in this province and not 5,000 as were provided under the same amount of money under the previous Conservative Government, would the First Minister undertake to review this policy immediately so that thousands of young people in this province will not go without jobs by virtue of this program and other policies and programs that have been introduced by this government that have reduced employment opportunities for young people in this province?

**MR. SPEAKER:** The Honourable Minister of Labour.

**MR. SCHROEDER:** Thank you, Mr. Speaker. It's obvious that the Member for St. Norbert didn't hear what was said during the Estimates of the Department of Labour, nor did he hear the answer to the question

given in this Chamber, but if he wants a repeat, he'll get a repeat.

First of all, Mr. Speaker, I read from the Provincial Auditor's Report a statement indicating that there was no evidence that there had been any jobs created as a result of the program entered into by the former government. The Provincial Auditor was concerned that the type of program they were entering into; the type of program they had was simply and purely a subsidy to employers who would anyway have hired the very same students. When I saw that and when this government saw that, we were concerned about it. We don't want to waste money in the way that the previous government did.

So what we did was develop a program which would have a criteria of some kind of training for the student. There had to be a demonstration that the job created was one which would provide something to the student in the form of training that would not have been there in the former mix. The Member for Fort Garry can get as excited as he wants from his seat, but I also told the Member for St. Norbert during the Estimates and the others who were present, that we will be monitoring that situation, and for us the word "monitoring" means not doing nothing as it meant for the former government. It means we will take a look at the situation and we will assure that if the situation is such that something has to be done, this government will do it.

**MR. MERCIER:** I expect, Mr. Speaker, that answer will be little consolation to the 3,500 people who would have had jobs under a program similar to ours. Could the Minister indicate if any applications have been approved to date?

**MR. SCHROEDER:** Mr. Speaker, the member is obviously being facetious. I told the member just on Friday that the application forms had been mailed out on Thursday. I also told the member on Friday that it would take approximately three days from the time the applications are received back until approval is given. Therefore, he knows full well that it is an impossibility today to say that there have been any applications approved and he knew that on Friday after he had been given the answer to the other question.

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

**MR. HARRY ENNS (Lakeside):** Mr. Speaker, I direct a question to the Minister responsible to this Chamber for Manitoba Hydro. It comes from the concern expressed by various northern Indian chiefs about unsafe conditions that they encounter when water fluctuations or water changes are being made to various Hydro structures, in this particular instance, the structure of Jenpeg. Can the Minister tell me or tell the House — I would assume that Manitoba Hydro, as a matter of course, has some way of informing residents, trappers, Indian Reserves that are in the area affected, about these changes in advance of them being made. Is that not the case?

**MR. SPEAKER:** The Honourable Minister of Energy

and Mines.

**HON. WILSON PARASIUK (Transcona):** Mr. Speaker, the member is referring to a regrettable incident that took place with respect to a Cross Lake trapper. My understanding from Hydro is that they do have a communication system that has been in place for some time now whereby downstream communities are informed of when there are going to be fluctuations. I've been informed that there has been no claim filed but they are attempting to get more information with respect to this regrettable drowning. The information I have is that there was open water, that the person who drowned could see there was open water and still walked out on the ice.

I am going to have the matter investigated though to determine whether, in fact, there was sufficient communication. The communication procedures are in place, however. The person is a trapper; he may not have been privy to it. But the information I have is there was open water and the person would have known that by going on the ice with open water there that, I think, he was putting his life in some considerable danger, as it turned out, obviously grave danger. The Hydro people are looking into this matter and so are the chiefs undoubtedly and we will hope that these types of incidents regarding open water and ice conditions can be avoided because obviously they require great care when you have open water and when you are having breakups. Situations like this have occurred in the past irregardless of any types of fluctuations in the water, but it is important that the communication process be as good as possible.

**MR. ENNS:** A supplementary question to the same Minister, perhaps one which the Minister would want to take as notice, that it would be of interest, I believe, to members of the Public Utilities Committee, that will be dealing with Hydro matters shortly I understand, the exact mechanical means by which communities, residents in the area, are notified. There are perhaps some improvements that could be suggested to Hydro at that time. Are all the communication means available to us being used? I direct this question to the Minister because there will be more and more artificial fluctuations of water caused by the operations of various Hydro works and it would seem to me that the Minister should be concerned about this.

**MR. PARASIUK:** I will take that question as notice and inform the Hydro staff so that they will be in a position to answer when the Public Utilities Committee meets.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. LYON:** Mr. Speaker, earlier in the question period, I addressed a question to the First Minister with respect to notice that appeared in the newspaper, and which came to me otherwise, to the effect that the Chambers of Commerce of Stonewall and Teulon had presented to the government a petition containing some 3,400 signatures asking the government to proceed to final successful conclusions the negotiations with Alcan for the location of that large industrial

operation in the Interlake and the creation of jobs and the spinoff benefits that would result from it. The First Minister indicated that perhaps the Minister of Mines and Energy might have some specific knowledge of this petition. Now that the Minister is in his place, I wonder if he could tell us if he has received the petition and what response he intends to make to it?

**MR. PARASIUK:** Mr. Speaker, I met with a number of people; I would say at least 15 people from the Balmoral area on Friday afternoon. I received the petition, Mr. Speaker. I spent two hours with them. I think we had a very constructive positive meeting whereby information was exchanged between the group and myself.

I explained to the group, Mr. Speaker, the process of the joint review that is being undertaken between the Manitoba Government and Alcan. I explained to them the fact that I could understand that they, of course, would like to have a development take place in the Interlake, but that it was reasonable for a government to ensure that all reasonable sites within the province had in fact been explored. That is what I did, Mr. Speaker, and I asked if they had comments and we had a very good exchange for two hours. I got the impression that they understood what they were doing. I asked them for comments and suggestions with respect to what we were doing, the timing of it, and I think that both sides left fully satisfied with the answers that they had received.

I must say, Mr. Speaker, that the group from Balmoral showed a reasonableness and an understanding with respect to the Alcan project far surpassing the approach taken to date by other people. Mr. Speaker, I commend them for their understanding of the process and I think that their approach as citizens was a very constructive approach to the review process.

**MR. LYON:** Mr. Speaker, nobody on this side of the House would be surprised at citizens of Manitoba being reasonable and having a general understanding of problems; that is the way we have always found them to be. I'm surprised that my honourable friend hasn't found them to be that way at previous times.

I merely say to him, Mr. Speaker, what is the response that he intends to make to that group who are, of course, asking him and his government to move ahead and complete the negotiations that were already well under way for the location of the plant in the Interlake area of Manitoba?

**MR. PARASIUK:** I said, Mr. Speaker, I spent two hours with the group. I informed them of the review process and the fact that we are looking at the whole economics of aluminum smelting. The site was a factor to be considered. I told them about the state of the aluminum market, the overcapacity that exists right now, the high interest rates, Mr. Speaker. I told them that I hoped that we could proceed with the review and be in a position to possibly give more information to them during the course of the summer.

Mr. Speaker, I got the feeling from them that it was a satisfactory meeting. I must say, Mr. Speaker, that unreported in the press is the fact that I also had another meeting that same afternoon with people

representing other people in the Balmoral area, who expressed concern about the way in which the previous government had conducted studies relating to the Alcan proposal. They felt, Mr. Speaker, that there was a biased study being undertaken, that only one side was being looked at. They have brought in people at their own expense pointing out that in other areas the growth industry, when you have an aluminum smelter, can in fact be dwarf cattle. They expressed concern about that, Mr. Speaker, and we told them that in our review process we are in fact going to address the concerns that they themselves put forward, just as we informed the people from Balmoral who came in favour of the project that we were concerned about the environmental impacts. They went out of their way to tell us, Mr. Speaker, that if that environmental assessment by itself was not sufficient to provide sufficient protection they themselves wouldn't want the smelter to be located there. They were very, very frank in their proposal and suggestions to us, Mr. Speaker, and we took their suggestions at good faith and we are looking at the concerns raised by them and other groups, all of them, we are looking at those concerns in good faith. We are having them looked at through the review process and I think we will be providing substantive answers to the people when this process is completed.

**MR. LYON:** Mr. Speaker, being as I am unaware of any citizens of Manitoba who would want a plant to be located which was going to deleteriously affect or prejudice the environment of Manitoba, I'm not surprised at this illumination which has apparently come to the Minister of Mines and Energy from discussing these matters with citizens of Manitoba.

Of the two groups that he spoke to, two questions, Mr. Speaker. Number one, the second group, I take it, is the environmentalist group that is opposed to the location of the smelter in the Interlake. Would he mind telling us the numbers that group represents?

Number two, would he mind telling us why he and his government have suspended the very thorough environmental and socioeconomic studies that the Clean Environment Commission had already started when the Minister came into office?

**MR. PARASIUK:** Mr. Speaker, one group came in with a petition of 3,500 signatures. They didn't tell me who all they represented and I took them as being concerned citizens of the province and I listened to them with an open mind and I listened to them in good faith. Mr. Speaker, other people came forward and I didn't bar them at the door saying, if you don't tell me how many people you represent, I won't deal with you. I felt that they had legitimate concerns as citizens of Manitoba to come forward and meet with their government. This is an open government, Mr. Speaker. We met with them; they raised their concerns and we, in fact, were able to inform them that their concerns with respect to the environment are being looked at.

I think it has been pointed out to date, Mr. Speaker, that the environmental review with respect to one specific site is proceeding, but has been slowed down while we consider Alcan's analysis of the sites that they in fact said that they have supposedly looked at, but which I understand they didn't inform the pre-

vious government or the previous staff that they had looked at other sites. We intend to pursue that in a very reasonable way, Mr. Speaker, because if in fact it makes sense to have an aluminum smelter in Manitoba, it may make sense to have more than one aluminum, and surely a government that is dealing with companies who want to establish aluminum smelters in Manitoba should have an idea of where it would make sense from an environmental and a socioeconomic perspective to locate an aluminum smelter, Mr. Speaker.

We are doing that type of homework. The previous government didn't do that type of homework, Mr. Speaker. They said it is up to the aluminum company to determine where an aluminum smelter should go and we said that it's important for the government, from the public interest point of view, to get an idea of where it would be reasonable to locate, not only one aluminum smelter, Mr. Speaker, but possibly others. That's what we are doing in a responsible way, Mr. Speaker. We are serving the mandate that was given us on November 17th when I think the people of Manitoba were disillusioned about the type of activity being carried out by the previous government with respect to resources and resource sellouts.

**MR. SPEAKER:** Order please, the time for Oral Questions has expired.

#### TABLING OF DOCUMENT

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. BILL URUSKI (Interlake):** Yes, Mr. Speaker. No before Orders of the Day, Mr. Speaker. This isn't a Tabling of Report, it is a document that I would recommend on behalf of the Department of Agriculture, 100 Years of Agriculture in the Province of Manitoba, a document for all honourable members.

#### ORDERS OF THE DAY

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. ROLAND PENNER (Fort Rouge):** Mr. Speaker, the proposed motion of the Honourable Minister for Transport is standing in the name of a member not here and accordingly, rather than call that, I will move, seconded by the Honourable Minister of Finance, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to Consider of the Supply to be granted to Her Majesty.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Flin Flon in the Chair for the Department of Health and the Honourable Member for The Pas in the Chair for the Department of Civil Service.

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. PENNER:** Mr. Speaker, before the Honourable Member for Flin Flon takes the committee, since by

agreement there's not to be a Private Members' Hour, I wonder if it would be in order to adjourn the House. Accordingly, I would move that the House do stand adjourned with the understanding that we go into committee now and again this evening.

I move, seconded by the Honourable Minister of Finance, that the House do now stand adjourned until 2:00 tomorrow afternoon.

**MOTION presented and carried** and the House adjourned and stands adjourned until 2:00 p.m. tomorrow afternoon (Tuesday).

## CONCURRENT COMMITTEES OF SUPPLY

### SUPPLY — CIVIL SERVICE

**MR. CHAIRMAN, Harry M. Harapiak (The Pas):** I call the Committee to order. We are on Civil Service, page 20, 1. Civil Service Commission, 1.(a) Salaries.

Mr. Minister.

**HON. VIC SCHROEDER (Rossmere):** Thank you, Mr. Chairman. In introducing the '82-83 Budget Estimates for the Civil Service Commission, I would draw attention to the 64th Annual Report of the Civil Service Commission, which was tabled in the House February 12th and which explains in some detail the organization, programs and activities of the Civil Service Commission over the 1981 calendar year.

As was announced January 22nd, 1982, Mr. Ted Poyser, who was appointed as a member and Chairman of the Civil Service Commission, succeeding Mr. R.O.A. Hunter, who had retired in December of 1981. I am sure Mr. Poyser's public service career with both the Federal and Provincial Governments is well known to many of the members of the committee.

One of the more significant areas of activity within the Commission at the present time involves negotiations with the various Civil Service bargaining units. 1982 is a major year for collective bargaining within the Civil Service with negotiation and renewal of all major collective bargaining within the Civil Service with negotiation and renewal of all major collective agreements currently being undertaken on behalf of the province by the Staff Relations Branch of the Commission. I can advise that discussions are proceeding on schedule and we are still optimistic of reaching an amicable settlement through the two-party process.

Speaking to the Budget Estimates, which are currently before the Legislature, I can advise that there are no significant changes proposed for the '82-83 fiscal year. The Estimates for the Civil Service Commission are basically comprised of salaries, operating expenditures and benefit plans. With respect to salaries, there is a minimal staff increase of 2 staff person years representing one compensation research technician and one additional staff negotiator for the Staff Relations Branch. This reflects an increase in workload and activity within that particular division of the Commission relating to the collective bargaining process.

The increase in general operating expenses primarily reflects the general price increases required to maintain existing programs. Some additional revi-

sions have been made in the area of professional fees which are paid through the Commission on behalf of the government as a whole with respect to grievance arbitration costs and actuarial fees associated with pension and group insurance evaluation and reviews.

With regard to the various Civil Service Benefit Plans listed under Item 2., these represent the government's contributions as an employer required to fund the various government benefit plans. The majority of these plans are predetermined or fixed through statute or collective agreement and there is no discretion which can be exercised in terms of those costs.

Mr. Chairman, while on the subject of benefits, I would like to advise that legislation will be introduced this Session amending The Civil Service Superannuation Act to provide additional increases in pensions to retired employees to help offset increases in the cost of living.

The most recent actuarial evaluation of the Civil Service Superannuation Fund, and that was as at December 31st, 1980, showed a surplus of \$3.7 million generated by higher-than-assumed interest earnings on the assets supporting the liabilities of pensioners. The Task Force on Superannuation, which represents the government and all other employers participating in the pension plan, and the Employees Liaison Committee, which represents all employees contributing to the fund, have agreed unanimously that this surplus be used to provide additional increases in pension to retired employees. The end result of the proposed amendment will be to provide additional pension increases of 2 to 2.4 percent each year for a three-year period. Increases will be paid as at July 1, 1982, July 1, 1983, and July 1, 1984. As Minister responsible for The Civil Service Superannuation Act, I am pleased to be able to bring forward this worthy amendment following agreement reached through discussions between the respective employer and employee representatives.

Regarding future intentions, I can advise that the government looks forward to working with the Board and the staff of the Civil Service Commission toward the development of a professional Civil Service which better reflects the composition of the population of Manitoba and encourages the development of excellence and creativity throughout the government service. As has been stated by the Premier, the challenge that faces us is to prevent stagnation at a time when the Civil Service is not expanding quickly, if at all.

We will be looking at ways to provide greater opportunity for our civil servants to broaden and expand their experience. This in turn will contribute to their personal development and enhance their opportunity for career progression. Specifically, the Commission will be examining and recommending improved policies in the area of executive recruitment and appointment, management classification and compensation, career and manpower planning, and programs and options for executive training and development. It is a desired objective of the government to develop a high calibre of Civil Service management capable of moving from department to department and assuming those challenges and tasks which carry a high government priority.



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

**MR. MERCIER:** It's that last paragraph or last few sentences, Mr. Chairman, the Minister is not suggesting that the Civil Service is not of a high calibre now?

**MR. SCHROEDER:** Mr. Chairman, as the member knows, during the blood bath of 1977-78 and afterwards, there was a concern for the morale of the public service in the Province of Manitoba. We are doing what we can to repair that damaged morale.

**MR. MERCIER:** Mr. Chairman, I have filed a number of Orders for Return. I wonder if the Minister can indicate when those will be answered.

**MR. SCHROEDER:** When I get the information.

**MR. MERCIER:** When does the Minister expect the information?

**MR. SCHROEDER:** I understand that it's currently well under way and I would hope to be as obliging with my Orders for Return as the previous government was with theirs, at least.

**MR. MERCIER:** Mr. Chairman, can the Minister indicate how many civil servants were demoted, fired or transferred in their responsibilities since November 30th of 1981?

**MR. SCHROEDER:** No.

**MR. MERCIER:** I will return to this subject that the Minister has raised, Mr. Chairman.

I wonder if the Minister could assist me. Last year, in tabling the Estimates of the government, the government was able to, because there was a two-year contract, have in the Estimates sufficient monies to cover the full amount of the increase in wages for that year. As I understand it, when there is no contract in existence, there is an amount included in the Estimates which usually is not sufficient to cover the settlement. Can the Minister indicate how much is included in the Estimates?

**MR. SCHROEDER:** Yes, Mr. Chairman. I should just add, further to my answer to the previous question, that the question asked was precisely the question that is the subject of that Order for Return and when I have that information, I will pass it on to the member.

With respect to the amount in the Estimates for salary increases, there is an amount, I believe it's \$10 million and I believe it's within the Finance appropriation. I understand that two years ago the amount was approximately that or somewhat less, somewhere in the area of 8 to 10 million.

**MR. MERCIER:** Could the Minister indicate what percentage that is of existing salaries?

**MR. SCHROEDER:** The percentage that it is of the total payroll? It would be 3.5 percent.

**MR. MERCIER:** 3.5 percent. So obviously any settlement that is arrived at over 3.5 percent will have to be

added to the Budget later on this year.

**MR. SCHROEDER:** That is correct, Mr. Chairman. I would just point out, as I understand it, this is something that happens each year. There is a contract that comes up and what is referred to as the lapse factor, hopefully, takes care of it.

**MR. MERCIER:** Mr. Chairman, I asked the Minister one day in question period whether he intended to bring in any amendments to The Civil Service Act as they relate to the recommendations of the Rothstein Inquiry into mandatory retirement. I believe he indicated that, no, there was a — or perhaps it was the Attorney-General who indicated there was a Cabinet Caucus Committee that was reviewing the recommendations and he didn't expect there would be any amendments to the Act at this Session of the Legislature. Is that still correct?

**MR. SCHROEDER:** Yes, Mr. Chairman. I don't expect any changes at this Session; there are a number of Cabinet Ministers reviewing the report. We haven't actually had any meetings, but we have been trying to get at the report itself and I would assume that after the end of this Session, we will have a little more time to be able to do that. In the meantime, we do have a policy with respect to people reaching the age of 65 years and that is, if they desire, they are entitled to continue on. So we are not forcing any kind of retirements and, legally, if we tried to force a retirement, as the member knows, we wouldn't be successful.

**MR. MERCIER:** Is there a policy in effect then, Mr. Chairman? I have noticed the University of Manitoba is attempting to have its employees indicate some period of time before, I believe it's six months, whether they wish to carry on after age 65. Is there a policy in effect whereby employees approaching the age of 65 years indicate to their department that they wish to carry on?

**MR. SCHROEDER:** Yes, Mr. Chairman, I understand that employees are notified 11 months before they turn 65 that they would be requested to notify the employer whether they wish to continue after age 65 because, as the member knows, at that age a number of other items do kick in, the old age pension, etc.

**MR. MERCIER:** Mr. Chairman, I notice that the University of Manitoba appears to have a fairly flexible policy in that an employee appears to be able to indicate whether he wants to continue full time or part-time. Is that sort of option open to an employee of the Civil Service of Manitoba? If, for example, I am in a certain position, do I have an option to continue full time or part-time, or is it just either I have to continue full time in the job I'm in or retire?

**MR. SCHROEDER:** Yes, Mr. Chairman, it depends on the particular job involved. If there is someone else willing to job share and if it's a job that's appropriate for that from management's perspective, then that is an option that employees both over and under age 65 are entitled to.

**MR. MERCIER:** Mr. Chairman, does the Minister have any statistics that indicate how many people are presently continuing working in the Civil Service past the age of 65?

**MR. SCHROEDER:** Yes, Mr. Chairman, there are 27 people in the Civil Service right now who are over age 65.

**MR. MERCIER:** Can the Minister indicate during that period of time how many persons who reached age 65 chose not to continue working, they chose to retire?

**MR. SCHROEDER:** Mr. Chairman, I don't have the exact numbers. I'm told first of all that about 50 percent of those eligible took early retirement, that is, retired before 65 and for the calendar year '82-83, there's 131 people reaching the age of 65 and of that number, 11 have indicated that they wish to continue on. It appears that by far the vast majority of employees retire at age 65 or earlier than 65. Half of them are retired before and then well over half it appears right now who reach 65, again, well over half of those who do stay then retire at age 65.

**MR. MERCIER:** Mr. Chairman, I just want to confirm the figures indicated, 131 will turn 65 in 1982-83 fiscal year . . .

**MR. SCHROEDER:** In the calendar year.

**MR. MERCIER:** In the 1982-82 calendar year and 11 have indicated they wish to continue working?

**MR. SCHROEDER:** That's correct. Now, of course, we have had a little over four months, so I would presume that about one-third of them have already retired or continued on. Some of the people who have not notified us, presumably could still notify us, so that could become a higher number.

**MR. MERCIER:** Has anyone, Mr. Chairman, and I raise this because as part of the recommendations of Mr. Rothstein, I believe there is a suggestion that mandatory retirement should be done away with except where there is reasonable occupational requirement that someone not be over — something to the effect — 65 in a job. Has anyone for reasons like that or for any other reason been turned down when they have indicated they wished to work past 65?

**MR. SCHROEDER:** No, Mr. Chairman. Nobody has been turned down. Anyone who has requested and, basically not requested, informed us that they wished to continue to work past 65 has been entitled to do so.

**MR. MERCIER:** Does the Minister have any statistics that would indicate — he's given us a statistic for 1982, does he have any statistics, say, for 1983, 1984, 1985, 1986 of the number of present civil servants who will turn 65 in those calendar years?

**MR. SCHROEDER:** We don't have them present, but I am told that we could get those projections fairly easily. I also understand that the numbers will increase over the next few years.

**MR. MERCIER:** I would appreciate, Mr. Chairman, if the Minister would undertake to give me a copy of those figures when they are available. It's background information that helps to assist with determining the position on this question. I believe, Mr. Chairman, the Member for River Heights has some questions.

**MR. CHAIRMAN:** The Member for River Heights.

**MR. WARREN STEEN (River Heights):** Just before I proceed, Mr. Chairman, the Member for St. Norbert asked if the Minister would give him that material and did he nod, yes, when it's available?

**MR. SCHROEDER:** Yes, Mr. Chairman. I understand that it will be available by approximately Wednesday of this week.

**MR. STEEN:** Mr. Chairman, the Member for St. Norbert asked the Minister about upgrading programs and so on and asked him the direct question, "Did the Minister not think that the Civil Service was of a high calibre?" and he said, "Well, we have to do some repair work because of the damaged morale in 1977 and 1978." Would the Minister perhaps elaborate a little more on what he meant by the damaged morale of 1977 and 1978?

**MR. SCHROEDER:** Mr. Chairman, a member indicated it depends on how you voted. There was, as the member knows, a task force, the Spivak Task Force, that went through all levels of the Civil Service and came out with a report and during that time there was what one could only describe in other countries as a purge of the Civil Service in Manitoba. There were some pretty capable civil servants who were fired and there were some pretty sad personal stories of people who had devoted their lives to the public service in Manitoba. There is no doubt in my mind as I campaigned in 1979 in a by-election in Winnipeg that it was so clear to me when I ran into civil servants that they were angry with the government. They were still frightened. There was a feeling out there that somehow the government didn't believe in them, didn't have faith in the Civil Service; that somehow the Civil Service would always be working against the interests of the government. I believe that feeling was still prevalent in the year 1981 on November 17th. That is I suppose a political judgment rather than a judgment that one makes in terms of a measurement. You can't take a cup and measure that kind of morale problem.

As I indicated prior to making that particular statement, we have, I believe, demonstrated that we wish a strong Civil Service Commission to be put in place. I believe that the Chairmanship of Mr. Poyser, the appointment of Mr. Poyser to that position, demonstrates in part that kind of commitment. We are currently working on a senior management plan that will attempt to provide for further training, more training, more mobility of our management group in the government. This is something that has nothing to do with the previous four years. I think that any government does attempt in its own way to improve the quality of the Civil Service. I certainly don't suggest in any way that the individuals within the Civil Service were not capable people. I believe that, by and large, it

is one of the best groups, the most capable groups of people, of civil servants in the country, and I'm proud of that. I also think that we can improve the quality of the service by looking at our hiring techniques, our training techniques, and we're doing that.

**MR. STEEN:** The Minister makes reference to two specific areas. One is the Spivak-Riley Report and the other one is the Chairman of the Civil Service Commission. I believe and I would hope that the Minister would believe that the person that served in that position prior to the current person, Mr. Rod Hunter, was a very capable and a very fair person, a man of many years experience in private law practice as well as with the Great-West Life Assurance Company as Secretary to the company. I've known the man because he's a neighbor for many many years and perhaps he votes Conservative but I've never seen him involved in a political rally of any shape or form. I always considered him apolitical, and when he served as Chancellor of the University of Winnipeg, he certainly conducted himself in such a manner at all times. I don't think that he would have ever permitted, if he knew it, people in the Civil Service Commission asking political stripes of applicants.

On the Spivak Riley Report, I would say it's my opinion that very few of those recommendations were ever acted upon and I know that during 1977 to 1981, the numbers of persons working for the government were reduced somewhat and that a number of those were because of layoffs in areas, particularly in the Department of Northern Affairs which the government of the day felt was overstaffed and doing meaningless jobs, and then through retirement and attrition. I don't know personally of too many persons that were fired outright. I know of some that chose to leave the province and have since returned. One person holding a senior position in the Workplace and Safety, I am not aware of that person being fired. I know of a person sitting opposite us who worked in the Department of Labour and was nominated a good year before the election, at the best two years before the election, and to the best of my knowledge, I am not aware of her being demoted, fired or having her place changed.

It was the Schreyer administration that said civil servants can participate in politics. To the best of my knowledge, that was never changed under the Conservative Government. I personally don't agree with it and any persons that I know that are good civil servants, I have never ever asked them to participate in politics and come out and buy a membership and support myself or anyone that I might want to support at a nomination convention. I have always believed that good civil servants are best not to get involved in politics. As the Member for Elmwood said, be seen but not heard. Well, I prefer to say that they shouldn't even be seen actively engaged in politics. Out of sight and out of mind would be perhaps the safer and better way.

But my question to the Minister is, in his opinion, does he feel that many of the recommendations in the Spivak-Riley Report were acted upon and secondly, what was the reduction in numbers of persons working for the government from 1977 to 1981? I believe it would be somewhere in the neighbourhood of less

than 5 percent.

**MR. SCHROEDER:** Mr. Chairman, I don't know what the exact numbers are. I do know what the feeling was. I should say, first of all, the member referred to Mr. Hunter and I certainly don't want any of my remarks to be interpreted in any way as to suggest that Mr. Hunter wasn't a good chairman or that he asked for the political stripe of candidates. I don't suggest that at all.

What I was saying was that there were a large number of civil servants who were laid off and/or fired and there were other individuals hired in jobs to take their place. That was a frustrating experience, not only for the people who were fired and their families, but also it concerned other members of the Civil Service who felt that the Civil Service, contrary to the very expressed intention of the government to depoliticize the Civil Service, was being politicized in that fashion.

Yes, the member says it was the previous NDP Government which said to members of the Civil Service, you have the right to become politically involved. We have no problem with that. I have said in the past and I will tell the member that I know there are a number of members of the Progressive Conservative Party who are working in the Department of Labour, for instance, and some in fairly senior positions. I have no difficulty with that as long as they are performing their job for me, as long as they are doing what they are asked to do and as long as they are being as innovative as one would hope a civil servant could be and I believe those people are doing precisely that job. We have sent the message out ever since November 17th that there will not be that kind of discrimination practiced within the Civil Service and I believe the record speaks for itself on that.

**MR. STEEN:** Mr. Chairman, the Minister continually refers to persons being fired. I hope that he doesn't include in the firing a contract employee whose contract is not renewed. Does he consider that a person being fired?

**MR. SCHROEDER:** Mr. Chairman, I am just wondering whether you can have it both ways. I remember in the '70s, the members opposite were arguing that those weren't really contract employees. They were full-time civil servants; they were there all the time. I am sure the Member for Minnedosa remembers those arguments. So if they were there all the time, if they were really like full-time employees, can they now argue that when they fired them that it wasn't a firing, that it didn't hurt as much? I should also say that —(Interjection)— I didn't get that one.

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

**MR. DAVID R. (Dave) BLAKE (Minnedosa):** So they circumvent the Civil Service. Those contract employees never went through the Civil Service process when they were hired. They were hired as a contract employee without going through the Civil Service tests or whatever process they have to go through.

**MR. SCHROEDER:** Whatever previous governments

have done, this government doesn't intend to be out there either circumventing The Civil Service Act or hiring large numbers or any numbers of contract employees other than where there is clearly a job of specific limited duration or possibly it may come to pass that there will be times when we have some forms of cost-sharing arrangements with the Federal Government, as the members know. Some of those civil servants they are referring to were in programs where the Federal Government wasn't prepared to fund its portion of a program if you had a permanent civil servant in the program and, therefore, what governments did was to hire contract employees rather than regular civil service employees in order that the Province of Manitoba get more money out of the Federal Government. Now if we are required to do that as a result of the terms and conditions of a program, then I am sure that the members would consider us to be crazy if we didn't take up the Federal Government on an offer for funds simply because of an impediment of that nature.

**MR. CHAIRMAN:** The Member for River Heights.

**MR. STEEN:** Mr. Chairman, there are two types of persons I can see the province hiring that aren't civil servants. One would be, for example, in the Highways Department what you might call permanent temporaries. They come back every summer and work on survey gangs and so on in the Highways Department and the City of Winnipeg perhaps has many, many more employees that fit that category. Then there is the contract employee and that is a person that comes on staff for a fixed period of time. In many cases, those contracts are renewed, but that does not mean the job that's being fulfilled by the person is not classified as a Civil Service job at the time that person's holding that contract.

I would like to know if the Minister can tell me how many actual civil servants, not contract employees and when he keeps referring to civil servants were fired during that period of time, how many were fired? I don't care to know their names or the reasons, just the numbers.

**MR. SCHROEDER:** Mr. Chairman, I don't have that number handy, but I would tell the member that it would include not only people whom somebody walked up to and said, you're fired, but also people who were told, if you resign, you get one month's severance pay or two months' or three months'; if you don't resign, you're fired —(Interjection)— The Member for Kirkfield Park seems to think that didn't happen. There are unfortunately very many sad stories of individuals who had that happen to them.

**MR. STEEN:** Could the Minister at some future time, give me the number of persons who in that four-year period were fired? Is that information available to the Minister and can he pass it on to me as a member of this committee?

**MR. SCHROEDER:** Yes, Mr. Chairman. These things will happen with any government in small amounts. One would expect that you have new Ministers looking at their departments and you would expect that

there might be a few people in every department or, at least, a few people in the total of the government, but to have the massive numbers that were fired in '77-78 was something that was unprecedented in Manitoba's history. I don't have the numbers; there would have been at least hundreds of them.

**MR. STEEN:** Mr. Chairman, I would go so far as to say that the Minister is exaggerating the point. I would say that sure, there were persons laid off, contract persons not having their contracts renewed and there were normal retirements. Perhaps there were people who didn't have the same political stripe as the former Conservative Government that were near retirement age who just said no, I'm not prepared to work with this new government; I've got a year to go, I am going to call it quits. I am sure there were persons who fitted that last category when the New Democratic Government was elected who said I've only got a year to go, why should I adapt to a new Minister or person occupying a senior position; perhaps it would be the time to retire and permit that Minister to promote someone younger from within the department. But I do think the Minister is grossly exaggerating the point that a lot of persons were outright fired.

**MR. SCHROEDER:** Well, my information is that there were hundreds. When the member indicates that there were those who resigned, that is true. That is, there were people who were close to retirement who decided to pack it in and people who weren't close to retirement who decided to pack it in without being encouraged to do so by the government but simply because they didn't want to work with the new government. I am sure that has happened now in 1981-82 as we changed governments again. I am sure that there are some civil servants who didn't want to work with the new government, be they close to retirement age or considerably younger, and that of course is their prerogative and was their prerogative in '77-78.

**MR. STEEN:** Fine, Mr. Chairman.

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

**MS MYRNA A. PHILLIPS (Wolseley):** Yes, Mr. Chairman, I can't sit here without adding to the comments of the Minister and specifically to comment on the short memories of the Opposition members on this committee.

I can't believe that they cannot remember those traumatic two years and the kinds of concerns that civil servants had. It was after all a '77 campaign promise of that particular party to substantially reduce the number of civil servants and one which, in fact, they did continue to brag about as they went about doing just that and fulfilling that campaign promise; one of the few, I must comment, that they did fulfill. I can't believe that they cannot remember the effects of the Spivak Task Force in terms of setting up special redeployment lists, special committees to deal with layoffs. The numbers were enough to, in effect, result in having to have special committees to figure out how to deal with the contract and The Civil Service Act in relation to the actions they were taking. In effect,

there were whole branches that disappeared.

One that I might use as an example was the Career Planning Branch in the Civil Service Commission where none of those members, because they belonged to the Civil Service Commission, were members of the union or were covered by the contract and the provisions of the contract and the whole branch was wiped out. Now, I can talk about branches, I can talk about individuals and I can talk about the pink slip jokes because every two weeks there were civil servants in entire branches that wondered whether this Friday was their turn and whether they would get a pink slip. I don't think you can forget the comments made in the House especially when the Minister of Labour at that particular time, the Minister responsible for the Civil Service Commission, was a woman and the jokes that were made concerning pink slips in relation to her femininity; exactly shame, shame. Shame on your very short memories, I might add.

I can talk about individuals who were called in where an ADM would be sitting with his feet on the desk and saying hello, you're fired, and that was it — no talk about you can resign with grace and dignity — not members at the Deputy Minister level but members right throughout the Civil Service. I can't let the remarks go by that regardless of anyone's political affiliation, they felt quite safe and secure when the terror and the looking over people's shoulders and over people's backs was very very real and very very nerve-wracking for most civil servants. The message was very clear — keep your nose clean, hide, and if you don't do anything or cause any waves, you might hold it out regardless of whether you're in a permanent Civil Service job or not. I think it's very narrow of the members opposite to sit there and pretend that reign of terror didn't happen and that the civil servants in the government of this province don't remember it and remember it well.

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

**MR. BLAKE:** Thank you, Mr. Chairman. Well, now that the Member for Wolseley has got that off her chest, maybe we can — I think she's exaggerated a great many instances and those cases that she cites for someone who was actually fired by a senior with his feet up on the desk, I'd like to have some individual cases with some names. I think we're all dealing in generalities — (Interjection) — That's only one.

I think the item we are discussing of the fear or trepidation that the Civil Service felt with the change of government was probably there to some degree and I think it probably resulted from the fact that no one ever expected Big Eddie to get beaten in the election and it happened. Naturally, I can imagine what's going on in Saskatchewan today; the same thing, I think in Manitoba, certainly, it was an election promise that we were going to reduce the Civil Service and especially the contract employees. There were a great number of them were not renewed. There are, naturally, people that have been outspoken and they are well known and are going to leave one way or the other where they are hived off to a job that is nonproductive. It doesn't take them long to get the message and they leave.

The Minister had the figures, I believe, or his Deputy

did, from 1971 to 1981, the number of civil servants since '77 and the number in '81. So if he could maybe give us that, it might give us some idea of how many did leave the Civil Service, but the Member for Wolseley mentioned that there were whole branches left, and there were. Planning and Priorities was one that the whole department was scrapped and I don't think it made one bit of difference to the operation of government at all; there was a considerable number in that department. So these things happen with changes in government but, as I mentioned earlier, I wonder what shape the Civil Service Commission is now going to take in hiring people because through attrition and that, you are going to be continually hiring.

For example, when they're looking for some of the more senior people, are they just going to go through the Civil Service examination by ads in the paper and receive applications or are they going to accept some of the outside contract advice that has been done in the past by various governments? For example, the consultant firms — Headhunters, I believe, is one that comes to mind. When you're looking for senior executive type of people, will the government be using that service or will they just be relying on the Civil Service to take the replies from the ads that appear in the paper and go through their normal process of sorting them out?

**MR. SCHROEDER:** Yes, Mr. Chairman, the numbers that we have here don't take into account some of the things that happened during the Tory years. For instance, in 1977, there was someone in the Law Courts Building repairing the building and he was an employee of the Government of Manitoba. In 1978, the same individual was the employee of a contracted-out company or some other employee was doing that work while this one was laid off. Somehow, the previous government thought that was a reduction in the number of public employees. It was a reduction in civil servants, yes, but it wasn't a reduction in the number of people working for government. When it came to the number of people directly working for government, there was a substantial reduction in the first few months of that government. There were a lot of retirements, from 18,086 down to 16,553 from October 21, 1977 to March 24, 1978. We just heard a little while ago there are 113 people reaching 65 in the year 1982 and I don't think that year was an aberration that we suddenly had thousands of people becoming 65. I suggest to you that something happened to those people and their families.

**MR. BLAKE:** Mr. Chairman, there hasn't been any great line-ups at the various job agencies by people who have left the service of the government in those years. That is not a statement that I think should be left on the record unchallenged. If that many civil servants, and it looks like a couple of thousand, if they happened to be 61 or 62 years of age and felt that they could get by on their pension, they chose that route. They haven't been thrown onto the job market or anything of that nature.

Mr. Chairman, just on that, the contract employees, there are going to be a number of contract employees taken by this government. I realize that and one that comes to mind, of course, is the former Deputy Minis-

ter of Agriculture, Mr. Janssen. Now, he is back on contract. Would he have those terms of contracts available or handy that he could give us the terms of the contract length and salaries on some of the people that are back on contract or would that be too difficult for him to get?

**MR. SCHROEDER:** Mr. Chairman, the member smiles. He knows full well that he can get that off each department as he goes through. But there is a suggestion by him that somehow the reason for the decrease in employees between November of '77 and March of '78 was that there were all these people 60 and over that wanted to retire, all this huge group of people that were loving to retire and the rest of it had to do with contract employees.

Well, contract employees were in fact on October 21, 1977, there were 1146 and on March 24, 1978, there were 707 still there, so there were only 400 of that number. There has to be another explanation for the others; they disappeared. I suggest to you that for anyone to suggest that it was just all voluntary retirements and cozy arrangements and reaching age 65, that's stretching it a bit.

**MR. BLAKE:** The Member for Wolseley mentioned gas ovens, Mr. Chairman. I think that's rather a harsh word when people decide to take a substantial retirement income allowance and leave the workforce, because there is no doubt whatsoever the change of government was unexpected in '77 by those who supported the former administration and, naturally, they are disappointed and they have a feeling probably that they may be suspect. Maybe they might have been actively campaigning and, as the Member for River Heights said, we vigorously opposed the legislation that allowed civil servants to become that active politically.

I, for years and years, when I was not political in one way or another, I associated with many many civil servants and never gave it a thought what their politics were. There were people that worked for I don't know how many sections of government, not only in this province, but others. They worked through the Campbell administration, through the Roblin years, through the Schreyer years and I never at any time wondered what their politics were. They were government employees and at that time, they were careful, they did their job and they kept their political beliefs to themselves. They didn't run out at election time putting up signs and things of this nature, so if some of those people were actively out campaigning for the Member for Rossmere and after the election there was a turnabout in political governments, naturally, some of those people are going to be suspect. They might be hived off to a nonproductive job that they feel in themselves that they couldn't work at a lesser job or less responsible position and felt that they could do better on their own, so they would leave and look for something else. I think that happens in business; it happens in governments every day of the week.

**MR. SCHROEDER:** Mr. Chairman, again going back to those first figures that I had given, 18,086 civil servants on October 21, 1977 and 16,553 on March 24,

1978, that indicates about 1,500 or so bit the dust, so to speak, but it has to be more than that because between those two dates there were also a lot of new civil servants hired and so this was the net amount down that we were by then. That's an awful lot of people.

I should tell the member that when I was making that reference to my own constituency, I wasn't really talking of civil servants helping me. I was talking about civil servants I ran into when I was campaigning. I recall one person who happened to work in the Attorney-General's department, and I'd known this person and never on a political level, I had known that person since I had become a lawyer, since I was involved in legal work. He had never expressed a political opinion to me and he was just adamant about wanting to make sure that people knew that he was not supporting this government; he was angry with the way it was treating its civil servants. It wasn't a contract thing. It was a question of the way in which civil servants that he knew had been treated. I am not suggesting that was treatment even within the Attorney-General's department because I don't think that was an area where there was any difficulty, I think that was one area where things went very well. I just want to put that on the record, but I am just thinking there was one specific example and there were a number of others from other departments where people weren't treated as well.

**MR. BLAKE:** I don't disagree with that, Mr. Chairman. I think there are members in the Civil Service that can change with one government to another and it doesn't bother them a bit; whatever government happens to be the government of the day and they are talking to the member, he's a supporter. There is some type of an animal in the desert that is able to do that with a change of sunlight or something. I don't doubt that those people are around today, in fact, I could name a couple.

Mr. Chairman, one of the points that I wanted to make in this, and I mentioned what happened across the border that we use our Civil Service Commission to full advantage and we don't let this province become sort of a haven from any tide that may move from westward into Manitoba. There are good Manitobans, good civil servants, who are entitled to move up the ladder in the job promotion scale, and I would urge the Minister to allow this process to take effect and be in full force and in full use without making any changes to maybe accommodate some of those that feel early retirement may be advantageous to them in our sister province to the west.

**MR. SCHROEDER:** Mr. Chairman, I assume he is talking about the Province of British Columbia where, I believe, there is an election imminent and we'll just have to see what happens.

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

**MR. GERARD LECUYER (Radisson):** I'm sort of surprised that this topic is being raised by members of the Opposition because when that election was held and they campaigned on the fact that they were saying loud and clear that they would reduce the Civil

Service when they appointed that task force, they would reduce the Civil Service by at least 2,000, I would venture to say that they probably reached their target, but the comment that was made awhile ago that they were probably contract people, and no doubt some of those were contract people, but the comment was also made that contract people are hired to do a specific task and normally their contract is not renewed until that task is completed. To assume that their task is in every instance completed at the same time hardly appears to be a reality. I would also add that a lot of the people that were on contract stayed on, but stayed on as term people. So, how do you account for that? I mean, if they can stay on and others can't, well, there appears to be a discrepancy there. But I know some people personally who were civil servants, who got their pink slips, I don't want to go over the words that the Member for Wolseley mentioned awhile ago, but I know some of the people who were in that category of civil servants and did get their pink slips, who were fired.

To say that the Minister has been grossly exaggerated, I suppose, could be debated, I doubt it, but to say that there were none would be an even greater exaggeration. That I want to put on the record.

Thank you.

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

**MR. RUSSELL DOERN (Elmwood):** Mr. Chairman, I find this a very fascinating discussion because of the fact that there seems to be, I'm not a psychologist, but there seems to be a process at work here called denial and it was certainly the case in 1977 that the Conservatives, if they didn't get elected on the basis of desiminating the Civil Service, were certainly interested in making significant reductions which immediately started with the Spivak Task Force and then from 1977 to 1981, as far as I'm concerned, the Conservatives bragged about their reduction and firings of the civil servants. This was one of their big accomplishments.

Unfortunately, at the same time what happened, of course, was that they drove thousands of people out of the Province of Manitoba and this aggravated or exacerbated the situation where you had a loss of thousands of people who went elsewhere to find employment. This was all part of that wonderful concept of acute protracted restraint. This is all part of the Conservative approach and philosophy, part of the view that that government is best which governs least and, therefore, the smaller the government, the less role that it plays in society, the better off society will be.

Well, unfortunately, after attempting to implement that type of a program we witnessed the results. Instead of the economy being turned around, because the government withdrew, the economy went further down the tube and a government which has promised to make an attempt to play a major role in the economy and in the society was elected in their place. I don't know what the platform of the Conservative party is going to be now, if last time they ran on a platform of reducing the Civil Service and lost, maybe the Member for River Heights is paving the way to a complete turnaround and at the next election the Conservatives are going to run on the basis of

expanding the Civil Service which would be a complete reversal.

Mr. Chairman, the civil servants that I knew and the time between '77 and '78, I know of people who were harrassed and left the Civil Service, people who were red circled, people who were given dead-end jobs and meaningless assignments. What actually happened, of course, the way that the government of the day accomplished its goal was very simple, they reorganized the Civil Service. They organized it in such a fashion that certain positions and certain divisions became redundant and then once they reorganized then the people disappeared. So, it was reshape and reorganize first, and then the people will follow from that.

So, I listened to the Member for River Heights when he spoke and it seems to be a classic case of amnesia. He wants us to substantiate the fact that there were no firings and no layoffs as if there were no changes at that time and I find that a remarkable position from a person who was in a government that prided itself in getting rid of civil servants and I think it was said by me and by other people at the time that the halls were running red in the Manitoba Legislature. It wasn't red in the sense of left wing, it was red from the blood of civil servants.

Mr. Speaker, I regret that I make my most inflammatory statement when the most inflammatory Conservative happened to walk in, but that was a fact and the Member for Lakeside, I don't believe, would deny that many hundreds of civil servants bit the dust during the period when he was the Minister in the 1977-81 regime.

Mr. Speaker, in regard to the remarks of the Member for Minnedosa, he's worried like his leader and like the Member for Fort Garry, he's worried that some people who are working for the Saskatchewan government may seek employment here and, as far as I'm concerned, I don't know of any barriers that would prevent anybody in any part of Canada to find a position with the Manitoba Civil Service. The position has always been that the jobs are open, that everybody's welcome, there are no interprovincial barriers, there are no barriers to merit or to talent and I have to point out to the Member for Minnedosa that there were many Manitobans who left the province in the late '70s to seek employment in Saskatchewan. They may come back and they're not Saskatchewan people, they're Manitobans who were — well, I would assume that they're welcome. I simply say that it would be unfortunate indeed if we started setting up barriers to people from other parts of the country and in particular from our neighboring province of Saskatchewan.

So, I'm not going to start throwing names on the table, although I could. I could list people, as I think all of us could around this table. I remember a secretary who worked in the Department of Education crying when she was axed and I remember an individual in the Department of Tourism who was pushed out and harrassed continually until he eventually left and I remember somebody in the Bureau of Statistics who found his office padlocked one day and so on and so on. —(Interjection)— These are real instances that I remember and I'm sure there are hundreds of similar ones.

When it comes to the Member for Wolseley who

talked about an individual sitting there with his feet on his desk firing somebody else, that reminded me of Duff's dictum which was one of his better ones about that he only wanted his Minister to see his Minister's feet on their desks, that was the way a Minister should operate. I don't think any government has ever reached —(Interjection)— Well, the trouble with the two regimes, Mr. Chairman, is that our government had a lot of colourful people and the Conservatives are not quite as colourful, they're more a shade of standard blue.

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

**MS PHILLIPS:** I just have a couple more brief comments to make. I find it difficult to deal with the amnesia as well. I find it really amazing that the Member for Minnedosa can remember in detail in the House what happened in the '30s, but he can't remember what happened after October 21st, 1977. —(Interjection)— I am aging every day. I find it very strange where he comments that the political affiliation of individual civil servants is not important to him or that he has never found out. Well, let me just state that very quickly after October 21st, 1977, the political affiliations of civil servants were found out and found out very quickly and that determined in many many instances their future and their livelihood.

I find it very difficult that he can't remember or other members opposite can't remember the demonstrations, the negotiations, for job security over wages and how important that was in those negotiations with the MGEA at the time, that in effect job security was the utmost and the primary issue of those negotiations. It was never with the Civil Service, something that was dealt with as the top priority because prior to October 21st, 1977, civil servants felt that as long as they did their job, they followed direction, that they had in effect job security. In fact, it was a standard comment throughout the population that the best way to have a good pension was to get a civil service job and you were there for life, as long as you did your job.

In the last four years, that was totally turned around and it was not turned around because of any figment of anyone's imagination. It was turned around because of the operations of the previous government after October 21st and he might say it's nonsense. Perhaps, he was not a recipient of a letter from the task force that asked civil servants to explain what positions in their operations were redundant, in effect, turn their pals and their co-workers in and was not a recipient of being on the receiving end of that particular reign of terror. For them to forget about all the litmus test jokes, etc., etc., etc., and I could go on and on to deny that happened and to say that they don't care about the politics of individual civil servants is something that just absolutely astounds me and shows that they can walk around in this world for four years with amnesia.

**MR. SCHROEDER:** Mr. Chairman, I suppose getting into this was partly my fault; I am going to try to get us out of it. What we were talking about was an attempt by this government and by the previous government to improve the quality of the senior management of the government, and that doesn't imply that there was

something terribly wrong with the system before. First of all, there are about 700 management positions within the Civil Service that are excluded from the bargaining unit and that basically was what I was referring to when I mentioned the senior management development plan.

The government does rely heavily on that particular management group to carry forward the implementation of public policy, social and economic programs and to represent the interests of the government as the employer in its relationship with the main body of civil servants in the province. There was a need identified to strengthen and upgrade the managerial category, that group of 700 people, by the Treasury Board of the previous government and also by the Provincial Auditor who stated in his 1979 report, "There should be an evaluation system at different managerial levels and staff should be advanced who have proved to be effective. The basic management approach should be set by government which would facilitate of capable managers within the government system."

There was a review done by the previous government; it is something that is continuing and it leads to a number of observations. One is that a large part of senior management has been confined to experience in one particular area of technical specialization. There has been no formalized system in place to develop flexibility and broaden career exposure in other areas of related government service. Another observation is that a large part of senior position staffing has been based on internal departmental advancement and the selection of individuals from outside for specific skills, rather than on the selection of qualified program managers through advertising and review of management talent that might be available to government.

There is another need identified, that is a lack of such resources as a temporary assignment pool from which government could select individuals to staff special projects of short-term duration. Manitoba is the only province in Canada which does not have a formalized classification and compensation plan for its excluded managerial category. There is no formal system for evaluating or compensating management positions. The general practice in Manitoba for management compensation has been to maintain salary and benefits marginally above whatever is paid to the bargaining unit.

There is another condition in that in several departments, the management group has been in place for a number of years and is composed of people in upper age groups who we expect will be retiring over the next few years. These conditions have contributed to a senior management group marked to some degree by — well, you have heard about the problems, we are trying to solve them. We have, as I said previously, Mr. Poyser working on it. We're looking at a development package for that senior management group of 700 people and I'm sure that everyone here would wish us success in improving the quality of the senior service.

**MR. CHAIRMAN:** I'd like some direction from the committee. Normally, when we begin the Estimates, the Minister's Salary is the first article we deal with and we leave that article and go on to the rest of the



resolutions and then come back. I am wondering if we can deal with 1.(a) as we come, with the understanding that we will not be coming back and deal with it and then we'll know that there is no chance for coming back and summing up.

The Member for St. Norbert.

### POINT OF ORDER

**MR. MERCIER:** Mr. Chairman, just on a Point of Order, I think generally we can discuss all of our concerns probably under 1.(a) and there may be a few specific questions on the other items as we go through them.

**MR. CHAIRMAN:** The Member for River Heights.

**MR. STEEN:** Mr. Chairman, as the Minister stated a moment ago, that perhaps it was his comment that got us into that, and I might point out it took an hour and 10 minutes to discuss that aspect of his Estimates, the morale of the Civil Service, and I am told by some persons that it perhaps is not over. But I might point out to the Minister is that the negotiations during the four-year Conservative Government with the Manitoba Government Employees' Association went very smoothly. The contracts were settled in quick order and that has to be an indicator that either the management for the Employees' Association got along reasonably well with the government of the day, or else, they were misleading their membership, but anyway, the contracts were arrived at very quickly. I might point out that it was mentioned earlier that the Conservatives in '77 did campaign on the fact that they could run a good government with less employees. I can recall the leader mentioning many times that he would reinstate the order of principle where we wanted employees wherever possible to be civil servants and not be contract employees, the merit promotion concept and the Minister did mention that there was a 1,000-plus less people working for the government. I say that 90 percent of those persons were contract employees and if he wants to say that there were in the neighbourhood of 100 that were perhaps released of their work, fine and dandy, but I would like him to prove me wrong if there were more than 100 who were released or fired, particularly fired.

If the Minister, since we're going to discuss his Estimates in fairly general terms, I would like to ask him on the Dental Program, how long has it been enforced because I don't subscribe to the government Dental Program — I have one through my own place of employment — has it been in force for a year? If it has, has the carrier of the contract offered us renewal rates and, if so, are they up substantially like dental rates are in the private sector?

**MR. SCHROEDER:** Yes, Mr. Chairman, the Dental Plan was in effect since November of 1980 and we have a guaranteed rate until November of 1982.

**MR. STEEN:** Can I ask the Minister if there has been any indicator from the carrier that there might be a substantial increase in the premium?

**MR. SCHROEDER:** Mr. Chairman, we still have not heard from the insurer, but I should say that there might be some changes in any event because we are in the process of negotiations with the MGEA.

**MR. STEEN:** I am told by my colleagues that there is no such thing as a premium. Well, there is a cost to the government, even if there isn't a premium to the individual employee. That's what I've been meaning by a premium.

**MR. SCHROEDER:** The insurer is required to give a six-month notice of a change in the premium.

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

**MR. HARRY ENNS (Lakeside):** Well, Mr. Chairman, I haven't been at the committee during all the earlier discussions, but I feel moved to put on the record a few comments about what I, with some regret, suggest is going to be a matter of form from this time forward until certain legislation is changed. There are number of members of course that don't recall the history, the precise moment when action was taken by a New Democratic Party administration that has caused that. Now I refer specifically to the action taken by the then New Democratic Party administration in 1973 to introduce a bill that allowed for political activism on the part of civil servants. Let us understand that prior to that there were very specific guidelines that controlled political activities of civil servants that was viewed by some — I don't take issue with them as a denial of basic rights, political rights in this instance and it was introduced by the then Minister of Labour, the Honourable Russ Paulley in 1973. It was opposed strenuously by some members in the House, particularly by myself, because it contained in it the very seeds of what we are now seeing, namely, the dismissing of, the removing of certain portions of the politicized civil servants.

The government at that time, in 1973, I wouldn't want to flatter myself by thinking that it was the opposition to that move, perhaps it has more to do with the fact that there was a general election being called in 1973 that called upon them to table that piece of legislation after it received Second Reading in the House. However, it was introduced again in 1974 shortly after the New Democrats came back victoriously after the '73 election and was passed.

The same comments were made at the time of the passage of that bill and so when the Honourable Member for Wolseley wishes to use October, '77, as a bench mark date for this kind of activity taking place, she is wrong. Let's at least keep the historical record straight. It was when the New Democratic Party administration willfully and knowingly, conscientiously passed legislation in this Chamber that politicized the civil servants. Now, I don't give a darn what party is in power, but when a change of government is going to take place, the Civil Service or those who have activated in a very political way are going to be the recipients of that.

To that extent my honourable friends opposite have adopted one aspect of the American system of politics which I never had a great deal of respect for. It is common knowledge that when a Republican adminis-

tration walks in on a hill, you know, they are met by 7,000 Democrat employees leaving the hill as the Republicans walk in with their employees. That was precisely the kind of situation that was inevitable, when in 1974 the New Democrats passed a bill politicizing the civil servants.

Mr. Chairman, you can pass all the legislation that you want, but you cannot change human nature. From '74 on to the '77, to the '77 election, individual civil servants acting on their accorded rights under the new legislation took a very active part in politics. So, Mr. Chairman, if I had found a senior director of the Department of Agriculture actively campaigning against me in my constituency, or a Deputy-Minister actively campaigning against me in various rural constituencies, it should surprise nobody, absolutely nobody, least of all, honourable members opposite, that a changing government is going to come and change some of the civil servants. So I think we should not be hypocritical about it, that's going to happen again and again and again because we have changed the ground rules for the Civil Service. Those ground rules were not changed or were not started in October of '77. They were attempted in '73 by the New Democratic administration by the introduction of the bill, they tabled it, they let the election get by and over with, and the bill was passed in 1974.

We indicated and the record, Hansard, will show is full of the concerns that were expressed that this would lead to the kind of situation that has, I say, regrettably developed. But, Mr. Chairman, Mr. Minister, there is no way that you will tolerate as a Minister, a senior civil servant who will spend all his time, no matter how legal it is as prescribed in the Act, hanging up signs and saying what a menace to public office you are and how important it is to remove you at the first earliest possible opportunity and then sit down with him the next week after the election — presuming that you are re-elected — and be able to overcome your human nature, as generous as it is, without that somehow mirroring and somehow having a very direct impact on how you regard that particular civil servant, how you use him and whether or not you will not find the earliest opportunity of removing him in fact from the Civil Service.

Those statements were all put on the record, Mr. Chairman. You were not in the House at that time, neither was the Member for Wolseley. I think the only member that was in the House was the Honourable Member for Elmwood, perhaps the Honourable Member for Minnedosa and the Honourable Member for River Heights, but the record of the day is very explicit. It was expressed, by the way, by spokesmen on both sides of the House. It was also expressed and commented upon editorially by the Newsletter that the Civil Service, the Manitoba Government Employees' Association publishes that expressed a great deal of concern about the legislation that was passed by the New Democratic Party administration in 1974 allowing active political participation by the public service. It's an inevitable conclusion, that if you're going to have that, human nature being what it is, we will have these kinds of things happening when governments change.

Mr. Minister, I raise this point, not to get into a debate with you on that matter, but the historical

record happens to be such and I take this moment to put it on the record, indicating clearly that it was a New Democratic Party administration initiative started in 1973, withdrawn because it created certain waves, didn't want that happening in the midst of the 1973 election, then reintroduced in 1974 and passed.

**MR. SCHROEDER:** Thank you, Mr. Chairman. I thank you for that history lesson. I assume that it is going to continue with the Member for Elmwood.

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

**MR. DOERN:** Mr. Chairman, I was a history teacher, so it wouldn't be surprising if I responded.

**MR. SCHROEDER:** Why do we have to do that during the Civil Service Committee Estimates?

**MR. DOERN:** It is for the enlightenment of all those concerned, but I have to differ with the Member for Lakeside. He is going to argue that prior to '74, nothing happened, and that since '74, we have seen a dramatic change in style on the part of governments. I have to point out to him, Mr. Chairman, that Deputy Ministers, other high-ranking civil servants and people on boards and commissions have always been changed by incoming administrations in Canada and in the United States. I don't believe that the effect of our legislation in 1974 had a dramatic effect on the civil servant. I think there may be dozens of people who are involved now that wouldn't have been involved before, but what the honourable member is talking about, he's talking about politicizing the civil servants and then he's taking as an illustration to back up his point, what he wants to take as an illustration, the proof I suppose would be the hundreds of civil servants that were let go during his regime. That had nothing to do, Mr. Chairman, with politicizing the Civil Service. That was decimating the Civil Service and there is a distinction there.

You didn't need the legislation of 1974 to go in with a sword and cut up and cut down hundred of civil servants. All you needed was a particular attitude and a particular approach to government which has nothing to do with whether or not there was a bill or an Act introduced in the House. What basically happened was, it was the Tory philosophy. You know, the Tories are now telling us that there is a thing called human nature which they excel in and that has always been a historical argument on the part of Conservatives. They know human nature; it's the socialists who know philosophy. I am just listening to this and I'm thinking to myself that it was the philosophy of the Conservative Government in 1977 that led to the slaughter of the civil servants. It wasn't anything about human nature. It was a Tory view that government is best which governs least and it was a Tory view that they were going to implement an election promise to cut down the public sector. That is what it was; it was a philosophical position that led to that.

The other comment I make, Mr. Chairman, is to the Member for River Heights who now doesn't believe that there were all these firings, letting go, squeezing out, resignations and so on that happened during his

regime. Maybe, he doesn't want to believe that, and that I think is possible. —(Interjection)— He wasn't involved in one; that is true. That I accept and it is probably your faith in your colleagues. I would say, Mr. Chairman, that the Member for River Heights is a nice guy and he probably wouldn't do this himself and he probably thinks that he couldn't be associated with a group of people who would do a thing like that. He finds it hard to believe, just as in the United States when the Americans found out that certain things were happening in Vietnam, like Lieutenant Calley slaughtering people and so on, they didn't want to believe that. They found it hard to believe and the Member for River Heights certainly wasn't an insider in the Lyon Government which wouldn't tolerate anybody who had a moderate or a progressive stripe.

I must say that, ultimately, I have to remind him of his own leader's story about the piano player and the brothel, who said that all he was doing was playing the piano and he didn't know what was going on upstairs. He just played the piano.

**MR. CHAIRMAN:** On a point of order, the Member for Lakeside.

**MR. ENNS:** What was going on upstairs?

**MR. DOERN:** Mr. Chairman, I will tell the Member for Lakeside a little later. Don't forget he is from the farm and he doesn't know about some of the goings on in the big town. So I simply say that either the Member for River Heights didn't know about this, which I find hard to believe, or he didn't want to believe it. He didn't want to believe that his own colleagues and his own leader, second choice for leader perhaps, would do a thing like that. I don't know what the mental block is, whether it's political amnesia, but I do once again remind him of that very fascinating story of the piano player which was I think told a couple of years ago by the Honourable Sterling Lyon to the Honourable Sidney Green and I think both of them certainly enjoyed that little tale.

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

**MR. MERCIER:** Mr. Chairman, the Annual Report in Table 1 on Page 19 indicates that as of December 25, 1981, there were 11,518 civil servants in established jobs and there is a different result in Table 3. When the Minister, in tabling the Estimates for this year and perhaps he could confirm this figure, indicated that the Estimates provided for an additional 450 civil service positions. Which table was he referring to?

**MR. SCHROEDER:** I'm sorry, just a second. Mr. Chairman, Appendix 2, Table 1, the 11,518 refers to the number of civil servants in established jobs and does not include contract, shift, sessional, hourly or if, as and when employees. The Table 3 compares those numbers and that's why you have the 16,278. It adds in the departmental time certificate or casual, contract, shift, sessional, hourly or if, as and when employees.

**MR. MERCIER:** The 450 jobs, Mr. Chairman, I believe that was the number the Minister referred to when he

tabled his Estimates and he could correct that if it's the wrong figure. Is that 450 established jobs, then?

**MR. SCHROEDER:** Mr. Chairman, the numbers talked about there are the increases in the staff person years allotted to the various departments, approximately 450 proposed new staff person years and they are in the process — I suppose some of them of are being hired now.

**MR. MERCIER:** That was the correct figure then, 450 additional staff man years in the Estimates this year?

**MR. SCHROEDER:** Yes.

**MR. MERCIER:** Mr. Chairman, could the Minister advise whether the following people hired in the Executive Council office to replace two or three that were there under the previous administration have Civil Service status or protection: Michael Decter, Clerk of the Council, 58,900; William Regehr, Principle Secretary, 54,600; Dan O'Connor, Communication and Co-ordination Secretary, 43,500; Pat Moses, Executive Assistant I, 24,560; Annalea Mitchell, Assistant to the Principle Secretary, 31,378; Judy Wasylcyia-Leis Co-ordinator of the Premier Secretariat 34,149; Arlene Wortzman, Policy Analyst, 34,149; Garth Cramer, Media Secretary to the the Premier, 26,287; Leslie C. Carruthers, Executive Assistant I, 22,737. Do any or all of those have Civil Service status or protection?

**MR. SCHROEDER:** Yes, Mr. Chairman. Wortzman has Civil Service status.

**MR. MERCIER:** Arlene Wortzman is the only one that has Civil Service status?

**MR. SCHROEDER:** Mr. Chairman, I'm sure the member knows as well as I do that executive assistants don't have Civil Service status so the reading of those names was certainly unnecessary.

The other people in some way or another correspond to different individuals that from time to time occupy the Office of the First Minister. We had another individual — I can't remember his name — who was Chief Clerk. He's now gone; he didn't enjoy status under The Civil Service Act, as I understand it. There was Mr. Armit and a number of other people; I don't know whether we should have to go through all of the names of the people who are now the dear departed. Those people, if there is a change in government, will of course be gone. As the Member for Lakeside indicated previously, I wouldn't expect my political staff to survive an election. That might be a terrible precedent. If my Executive Assistant or Special Assistant survived me, what interest do they have then other than pure political, just the desire to elect an NDP government to keep me in office. They will go when I go and so will the Premier's political people go if he goes, if that ever happens.

**MR. MERCIER:** Mr. Chairman, is the Minister saying that only one person has Civil Service status and that is Arlene Wortzman? All of the others will leave when the Premier leaves?

**MR. SCHROEDER:** Well, all of the others, there would be an option on them. If the incoming . . .

**MR. MERCIER:** That's correct. If the incoming government wishes to retain their services, they would be available?

**MR. SCHROEDER:** Mr. Chairman, all of those jobs would come under Section 34, Subsection 1 of The Civil Service Act, and while I'm sure that should our government ever be defeated, these people would have demonstrated their worth so much that nobody would want to replace them. Should a new government wish to do so, it would have the legal right to do so without having to demonstrate any need to do so.

**MR. MERCIER:** Mr. Chairman, could the Minister indicate — I believe he's answered the question, but I wish to confirm it with perhaps a general question. Would he confirm that none of the executive assistants or special assistants hired by the Ministers in their offices have Civil Service status?

**MR. SCHROEDER:** That's correct. As I recall, when the Schreyer Government left office in '77, it was that government which gave notice to all of the special assistants and executive assistants and I don't know whether that procedure was followed by the Lyon Government, but I presume that it was. Those people know full-well that they are quite political. They are so political that, in fact, one of them ran against me during the election campaign. A fine fellow, a good campaign —(Interjection)— That could be; I didn't get close enough to ask him. I tried to stay about 10 steps ahead of him just in case I ran into any trouble.

**MR. MERCIER:** Mr. Chairman, did the Civil Service Commission have anything to do with the demotion of the former Deputy Minister of Education or with the demotion of the former Deputy Minister of Labour or the transfer of the former Deputy of Natural Resources or the transfer of the former Deputy of Northern Affairs?

**MR. CHAIRMAN:** I'm sure the Minister is having problems hearing the questions because of the chatter going on at the table.

Mr. Minister.

**MR. SCHROEDER:** Yes, Mr. Chairman, at least the first two. Who was the third person?

**MR. MERCIER:** The former Deputy of the Natural Resources.

**MR. SCHROEDER:** Yes, all of those would be by the Lieutenant-Governor-in-Council as opposed to the Civil Service Commission.

**MR. MERCIER:** Mr. Chairman, were the new Deputy Ministers of Education, Labour, Natural Resources and Northern Affairs hired through the Civil Service Commission?

**MR. SCHROEDER:** No, Mr. Chairman, they were appointed under Section 34(1) by the Lieutenant-

Governor-in-Council.

**MR. MERCIER:** Mr. Chairman, did the Civil Service Commission have anything to do with the firing of Lawrence Haberman?

**MR. SCHROEDER:** Mr. Chairman, I hadn't heard of that name but I am told by my officials that the man formerly worked for Energy and Mines and resigned.

**MR. MERCIER:** Was he requested to do so, Mr. Chairman?

**MR. SCHROEDER:** Yes, Mr. Chairman.

**MR. MERCIER:** Pardon me? What was the answer?

**MR. SCHROEDER:** Yes.

**MR. MERCIER:** Did the Civil Service Commission have anything to do with Mr. Buffie's leaving the Civil Service or Mr. Tomasson?

**MR. SCHROEDER:** Could you give those names again?

**MR. MERCIER:** Mr. Orville Buffie or Mr. David Tomasson?

**MR. SCHROEDER:** Yes, Mr. Chairman, I understand that Mr. Thomasson's position was declared redundant. There were negotiations, there was an arrangement for severance. That position has not been refilled. Mr. Buffie resigned voluntarily.

**MR. MERCIER:** What happened to Mr. Reg Robson, Mr. Chairman, who was the Assistant Deputy of Northern Affairs?

**MR. SCHROEDER:** He was transferred back to Municipal Affairs.

**MR. MERCIER:** Mr. Chairman, what is the Minister's approach to the involvement of the Civil Service Commission in the hiring of Deputy Ministers and Assistant Deputy Ministers?

**MR. SCHROEDER:** Mr. Chairman, with respect to Assistant Deputies, basically we wish to go through the Civil Service Commission. Just for instance in the Department of Finance an Assistant Deputy was promoted because of the retirement of Mr. Perry a few months ago and that was done on the recommendation of the department after approval by the Civil Service Commission. As a general principle, all senior management positions should be bulletined and advertised in the search for the best qualified people for those positions.

**MR. MERCIER:** Mr. Chairman, my information indicates that the number of contract employees was reduced from 1,221 in October of 1977 to 67 in September of 1981. Now the Minister has made some disparaging remarks about the reduction in contract employees, Mr. Chairman, but when this change was brought about through full consultation with the

Manitoba Government Employees Association, and I'm looking at an article that was in the Free Press in February of 1980 when Mr. Doer, President of the MGEA which had for several years criticized the number of contract and departmental employees doing Civil Service jobs said, "The move was consistent with recommendations we've been making and is a positive step." Combined with that approach was the development or reduction to three classifications for employees from five, which was also called a positive step by the MGEA. There was included in those classifications, "Contract was defined as used only when special knowledge or expertise not available within the Civil Service is required, where outside objectivity is important and where employment is of a temporary, nonrecurring and specialized nature.

The Minister has referred to programs where there's Federal-Provincial Programs for a limited period of time, where because of the fact that it's a limited period of time contract employees may be required. Does the Minister support and will he carry out and continue the changes that were made in redefining these three categories and confining the use of contracts to the definition that I read out?

**MR. DEPUTY CHAIRMAN, Don Scott (Inkster):** Mr. Minister.

**MR. SCHROEDER:** Yes, Mr. Chairman. We have no difficulty with those particular definitions and intend to continue on in that way. I should say that since March of '81 the number of contract employees has declined by 22 in Manitoba.

**MR. MERCIER:** So that's the actual figure then?

**MR. SCHROEDER:** Yes, from March of '81 to March of '82 it's 121 down to 99.

**MR. MERCIER:** Would the Minister indicate how many contracts the new government has entered into since November 30th, 1981?

**MR. SCHROEDER:** It seems to me that's a part of an Order for Return that has been already filed and we don't have that information available, and once the Order for Return is answered you'll have your answer.

**MR. MERCIER:** Mr. Chairman, I hope the Minister is not answering the question because he doesn't have the information available, not because there is an Order for Return. We're going through his Estimates of the Civil Service Commission and if he has information about the number of contracts entered into by this government, then I think the committee should have that information.

**MR. SCHROEDER:** Mr. Chairman, I'm told that people here only know of one person who has been hired on as a contract employee since November of 1981, but there may well be more I don't want to say that's it. Certainly I don't know of any within my department.

**MR. MERCIER:** I take it that it's public that would be Mr. Janssen, the former Deputy Minister.

**MR. SCHROEDER:** No, Mr. Chairman. Mr. Janssen, as I understand it, is a consultant who has been hired on a consulting contract. The question you asked was how many contract employees do we have. That's a different thing altogether.

**MR. MERCIER:** Okay, I see the Minister is indicating that Mr. Janssen was hired as a consultant. I suppose some members of the public may find the difference difficult to grasp.

**MR. SCHROEDER:** Mr. Chairman, it may be that some members of the public may find it difficult to grasp. I would point out that when I took over as Minister of Labour there were a number of contracts out at the time in that department. I'm sure that there were those types of contracts in practically every department. The difference being, a contract employee is an employee of the government, is paid just like any other employee but is terminated at the end of a specific employment period. A consultant is an individual who is not an employee of the government, but who is consulting with the government with respect to a specific project. The consultant can be a corporation or an individual, which is not paid as an employee but as an outside consultant. Ordinarily the consultant is not in a position where he or she or as a company it works full time for the government, it may have a number of other consulting projects going on at the same time. There are a number of consulting companies within the country that are ordinarily hired by government and they are certainly one form of obtaining information for government without requiring a substantial Civil Service component for that type of work in each department.

**MR. CHAIRMAN, Harry M. Harapiak (The Pas):** The Honourable Member for St. Norbert.

**MR. MERCIER:** Mr. Chairman, I think the Minister, I must say, has caused a lot of debate on these Estimates because in his opening remarks on another issue he seemed to indicate that there was going to be some sort of new wonderful future ahead for the Civil Service Commission now that the NDP were in power and that nothing had happened over the past four years.

Mr. Chairman, he has tabled a report in the Legislature which outlines a number of programs that were undertaken and are ongoing and I think were reasonably good programs, and I didn't think it was necessary to make any comment from a political point of view on them. But in looking at them and in looking at the summary of the programs on page 7 of the Civil Service Commission Report, the Equal Employment Opportunity Program, the Personnel Management Reviews, the Personnel Management Programs in all departments, the Employee Health and Counselling Program, the increased participation in Staff Development and Training Programs, and development of new and revised programs with emphasis on management training, all of these, would the Minister acknowledge that there were some reasonable initiatives with respect to the operation of the Civil Service Commission during the last four years? Are these not reasonable programs which he, no doubt, intends to

continue and carry on?

**MR. SCHROEDER:** Mr. Chairman, I am not exactly sure where I got off track, but I was just trying to look through the statement that I originally made and on opening, I don't believe that I was being disparaging toward the activities of the government and Civil Service Commission in the previous four years. The report stands; I haven't changed my mind from the time that I tabled the report.

**MR. MERCIER:** I assume, Mr. Chairman, that the Minister is continuing to use the Joint Council meetings on a regular basis for discussions with the MGEA.

**MR. SCHROEDER:** Yes, I am, Mr. Chairman, and I believe they are proving to be very useful in terms of getting a feeling for what the concerns of the union are.

**MR. MERCIER:** Can the Minister indicate how many times he has had an opportunity to meet with the Joint Council?

**MR. SCHROEDER:** As Joint Council, I believe we have met on only two occasions, but I have met with the President of the MGEA on, I would say, about four or five other occasions. One of the difficulties has been in getting everybody together during the Session, but we are proposing to set up a regular — in fact, I believe we have already now set up a specific date each month when we will be meeting in the future.

**MR. MERCIER:** Can I take it too, Mr. Chairman, that the Joint Labour-Management Committee on Workplace Safety and Health of the government in MGEA is continuing?

**MR. SCHROEDER:** Yes, Mr. Chairman.

**MR. CHAIRMAN:** 1.(a) Salaries — the Member for St. Norbert.

**MR. MERCIER:** Mr. Chairman, I am just wondering if any other members of the committee had any questions at this time.

**MR. CHAIRMAN:** 1.(a)—pass; 1.(b) Other Expenditures—pass . . .

**MR. MERCIER:** If you could just wait half a second.

**MR. CHAIRMAN:** The Member for River Heights.

**MR. STEEN:** I have a question to the Minister, if he doesn't mind jumping down into Section 2. there.

**MR. CHAIRMAN:** If we could pass Section 1., then we would move into Section 2.

**MR. STEEN:** There is one page of Estimates. Well, then maybe, Mr. Chairman, I can serve notice to the Minister and he will obviously have to get this question. It's a technical one. Why is the Civil Service Group Insurance up by some \$300,000 this year, a

rather sharp increase in the rate charged by the carrier to the government?

**MR. SCHROEDER:** I'm sorry, you are talking about 2.(a)?

**MR. STEEN:** I'm talking about actually 2.(c), where it was 1.067 million and now it's up to 1.342 million.

**MR. STEEN:** I would assume, Mr. Chairman, through you to the Minister that if this is a co-sharing thing, that if it's up by almost \$300,000 to the government and this is the government's share, then there would be an equivalent increase to the employees collectively, so therefore it's an increase in my opinion of very close to \$.5 million. Are we insuring that many more persons or is the age mix of the employees gone up that the company insuring us, which I believe is Canada Life, renewed the rate at a higher rate?

**MR. SCHROEDER:** Mr. Chairman, I am told that we are not aware of any change in the contract, that it has to do with projections by Finance officials as to the expected cost for the coming year of carrying on with the program at existing levels. I can certainly get back to the member with a more detailed explanation later on.

**MR. STEEN:** So, to the Minister, it is your opinion that the Finance Department wanted to be sure that they had sufficient monies in to cover their costs, so they have increased the amount in this appropriation, but you are not aware of any actual increase by the carrier?

**MR. SCHROEDER:** My understanding is simply that they were projected on last year's experience.

**MR. MERCIER:** Mr. Chairman, I have no questions on 1.(b).

**MR. CHAIRMAN:** 1.(b)—pass.

Resolution No. 28. Be it resolved that there be granted to Her Majesty a sum not exceeding \$2,811,500 for the Civil Service Commission for the fiscal year ending the 31st day of March, 1983—pass.

We are going on to No. 2. Civil Service Benefit Plans, 2.(a) Civil Service Superannuation Act — the Member for Minnedosa.

**MR. BLAKE:** I just wondered, Mr. Chairman, has there been any increase in the per diem remuneration to members of boards or commissions?

**MR. SCHROEDER:** Is that to members of any boards or commissions? I am told that it is not handled through the Civil Service Commission, but I am not aware of any increases although there are discussions, I believe, with respect to a number of the appointments under the Department of Labour where people . . .

**MR. BLAKE:** This would just pertain to the benefits of them, the Group Insurance Plan that they have or some of the boards or commissions are covered by benefits and I just wondered if that's what it pertained

to. It doesn't pertain to the payments to them.

**MR. SCHROEDER:** Mr. Chairman, this pertains to payments to the entire Civil Service with respect to Superannuation, Canada Pension . . .

**MR. BLAKE:** And benefits, not remuneration for their . . .

**MR. SCHROEDER:** That's right. The remuneration comes in another department.

**MR. CHAIRMAN:** The Member for River Heights.

**MR. STEEN:** I would just like to ask the Minister if he could repeat that section from his opening statement where he mentioned that there was a surplus in The Superannuation Act and that the employees or the officers representing the employees voted to spread that surplus to all pensioned employees over the next three years. Could he repeat the figures, please?

**MR. SCHROEDER:** Yes. Legislation will be introduced this Session amending The Civil Service Superannuation Act to provide additional increases in pension to retired employees to help offset costs of living. The most recent actuarial evaluation of The Civil Service Superannuation Fund as at December 31st, 1980, showed a surplus of \$3.7 million generated by higher than assumed interest earnings on the assets supporting the liabilities of pensioners. The Task Force on Superannuation which represents the government and all other employers participating in the plan and the Employees Liaison Committee which represents all employees contributing to the Fund have agreed unanimously that this surplus be used to provide additional increases in pension to retired employees. The end result will be to provide additional pension increases of 2 to 2.4 percent each year for a three-year period. Increases will be paid as at July 1st, 1982, July 1st, 1983, and July 1st, 1984.

**MR. STEEN:** Mr. Chairman, through you to the Minister, perhaps he can find out from his staff people, is this something that occurs fairly frequently in that retired persons from the Civil Service do get pension increases because of profits because of higher interest rates?

**MR. SCHROEDER:** Mr. Chairman, I understand that this is the first time that this kind of a distribution has been made. The Pension Plan over the last five years has increased approximately on the average by 6 percent per year for retired people. This will increase the benefits for the retirees by an additional 2 percent to bring it up to about 8 percent.

**MR. STEEN:** The pensions for pensioned employees are indexed and, as you say, they have been increased by approximately 6 percent?

**MR. SCHROEDER:** No, Mr. Chairman, they are not exactly indexed: 10 percent of the payments made by civil servants for pensions go into a separate fund and whatever that fund can afford to pay is added onto the payments for those civil servants who are

retired each year.

**MR. STEEN:** No further questions.

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

**MR. MERCIER:** Mr. Chairman, the report on Page 6 on the Civil Service Superannuation Fund refers to legislation which extended the practice of allowing interest at the rate of 3 percent on contributions which are refunded. This was the report of the Civil Service Superannuation Fund. Now, this was as at December 31st, 1980, according to the one I have. I suppose there may be a more up-to-date report. Is it referred to in the Annual Report?

**MR. SCHROEDER:** I'm sorry. Mr. Chairman, could I ask the member to repeat the question?

**MR. MERCIER:** Mr. Chairman, there is a reference in this report to the fact that legislation in 1980 extended the practice for a further year by allowing interest to be credited up to December 31st, 1980 and that's credited at the rate of 3 percent on contributions which are refunded. My question to the Minister is, and I don't recall any legislation at the last Session. Now, maybe it did extend it. Does there have to be legislation at this Session of the Legislature?

**MR. SCHROEDER:** I understand that in the last Session there was, in fact, legislation at the request of the Liaison Committee and I understand that there will be a requirement for further legislation. There is a request in for it.

**MR. MERCIER:** So that it is covered up to the end of this year by legislation passed at the last Session and you need to pass legislation at this Session to continue it?

**MR. SCHROEDER:** This Session or a Fall Session if there were a Fall Session.

**MR. MERCIER:** A question to the Minister on this. Does the Minister feel that 3 percent is a fair rate to be credited?

**MR. SCHROEDER:** Mr. Chairman, it is a response to the request of the Employees Liaison Committee. I suppose if the employees wished to pay more in then there could be a way of getting more out.

**MR. MERCIER:** I have no more questions, Mr. Chairman.

**MR. CHAIRMAN:** That's 2.(a) Civil Service Superannuation Act—pass.

2. (b) Canada Pension Plan — the Member for Swan River.

**MR. D.M. (Doug) GOURLAY (Swan River):** Yes, I was just wondering why the great difference in the amounts this year as compared to last year. I don't think this was referred to with respect to the questions asked by the Member for River Heights. It's some \$670,000 dollars increase over last year for the Canada Pension.

**MR. SCHROEDER:** Yes, Mr. Chairman, two reasons. One is that the CPP maximum earnings have increased this year; that is, maximum insurable earnings for 1981 were \$14,700 and for next year — I am sorry, there was an increase from about \$11,000 to about \$14,700 in insurable earnings for individuals, so everyone will be paying more CPP this year than last year. In addition to that, presumably some of the lower paid employees would be receiving slightly more in income and therefore would be also paying more as a result of increases in income.

**MR. CHAIRMAN:** 2.(b) Canada Pension Plan—pass; 2.(c) Civil Service Group Life Insurance—pass; 2.(d) Workers Compensation Board—pass; 2.(e) Unemployment Insurance Plan—pass; 2.(f) Dental Plan.

The Member for St. Norbert.

**MR. MERCIER:** Mr. Chairman, the Federal Budget proposes, and I don't think it is being changed yet in all the changes which have taken place, to tax Dental Plan benefits to employees; has the Minister or would the Minister make any representations to the Federal Minister of Finance opposing that tax change?

**MR. SCHROEDER:** Mr. Chairman, many people have made representations to the Federal Minister and of course the difficulty with taxing these kinds of plans is that it cuts back on the incentive of employees to be looking after these general goals and rather have them work toward just more in the pay packet. That's not exactly a direction that we would want to go in.

I believe, however, that the Federal Finance Minister has taken about all the advice he wants for a little while. He's changed his program several times and I've indicated that I had expected that he would change it again. I would hope that he does shortly and certainly I would encourage these types of employee deductions for working men and women not to be taxable. I think it's a regressive move.

**MR. MERCIER:** Mr. Chairman, I wholeheartedly agree. The amount shown here is not changed from the previous year and I asked the question maybe because I don't understand the program from the government's point of view. My understanding is the government is responsible basically for 70 percent of the dental costs that are insured under the plan. Does the \$1.6 million represent the government's share or does the government pay a premium to the insurer to cover the government's cost?

**MR. SCHROEDER:** Yes, Mr. Chairman, this is the government's share, but in 1981-82, I don't have the exact number but I am told that the loss experience was below the request. It was below the 1,641,000; it was an estimate because it was the first year it was negotiated and we expect that we could live within this year unless there is a negotiated change to the plan; in which case there could be increases in cost, or decreases, which are unlikely.

**MR. MERCIER:** Mr. Chairman, I would anticipate, and the Minister can correct me if I am wrong, that if these benefits are to be taxable there will be a great deal of administrative work to be done in issuing the

tax slips. Who would be responsible for doing that, the Civil Service Commission?

**MR. SCHROEDER:** No, Mr. Chairman, it would be the Department of Finance and they would simply add that on in other earnings, in one of the boxes in the T-4 Slip. I am sure that it would entail more work for the first while until the computer is reprogrammed.

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

**MR. CHAIRMAN:** The Member for Kirkfield Park.

**MRS. GERRIE HAMMOND (Kirkfield Park):** Yes, I just have a question on the employee deductions, have they started making the deductions relative to the Dental Plan?

**MR. SCHROEDER:** If the member is asking whether income tax is already being deducted from employee's pay cheques, if they are receiving dental benefit plans. Mr. Chairman, that question would probably be more appropriately answerable with Department of Finance officials available. I believe though, that we probably are deducting tax as is every other employer in the province because ordinarily once a budget comes down, the Government of Canada sends out new books to employers telling them what rates of income tax, etc. to charge on incomes and they would add in to that, I would presume, at that point the formerly nontaxable benefits which would now become taxable. But I'm not positive about it, it's a guess.

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

**MR. MERCIER:** I don't know how they would do that because they would just be guessing. I think what employees are going to find is that when they go to pay their income tax in the spring of 1983 they're going to find a little surprise in their tax liability statement for the dental plan benefits they received in 1982 and they are going to end up having to pay more income tax than they had planned for.

**MR. SCHROEDER:** Yes, Mr. Chairman, I'll get an answer back to the Member for Kirkfield Park. I'm not sure whether there is an imputed value, whether or not you use the plan or whether the Federal Government waits until the end of the year to see how many times you've been to your dentist and then taxes you on that.

**MR. CHAIRMAN:** The Member for Kirkfield Park.

**MRS. HAMMOND:** I was under the impression that the tax, at least what they were going to be adding on, was the premium and not how it's used. So in that case, they would probably have a figure that they could use at this stage except if the employees don't actually pay a premium in the government, then how will that work?

**MR. SCHROEDER:** I don't know but I would presume that you would divide the \$1.6-and-some-million between the various civil servants in the province and



send them each a slip for their portion, but I will get back with a complete answer to the member.

**MR. CHAIRMAN:** 2.(f) Dental Plan—pass.

Resolution No. 29. RESOLVED that there be granted to Her Majesty a sum not exceeding \$18,222,300 for Civil Service, for Civil Service Benefit Plan for the fiscal year ending the 31st day of March, 1983—pass.

This concludes Civil Service and I guess Government Services are supposed to go on next, but I don't believe that, the people are here, so would we call it 5:30 and come back at 8 o'clock.

Committee rise

## SUPPLY — HEALTH

**MR. CHAIRMAN, Jerry T. Storie (Flin Flon):** The meeting will come to order, continuing with the Health Estimates, Item No. 6. The Manitoba Health Services Commission, Personal Care Home Program. The Honourable Member for Fort Garry.

**MR. SHERMAN:** Thank you, Mr. Chairman. Mr. Chairman, there were 15 personal care homes that were due to be completed and opened during fiscal 1981-82 provided construction schedules went according to form. That is to say, there were 15 personal care homes that represented in most cases totally new beds and in some cases replacement beds that it was intended should be completed and opened by the end of the fiscal year 1981-82, which would have been March 31st, 1982. I appreciate that in the case of two of them, both of them proprietary homes, one of them the Golden Door in Winnipeg, which was supposed to be a 40-bed extension of an existing premises, and one of them a proprietary personal care home in Portage la Prairie, which was supposed to be a new 50-bed plant replacing and phasing out an old existing plant; that in fact physical work never did get under way on either of those two projects, but the other 13 all cleared the necessary hurdles relative to financing and tendering and awarding of contracts and launching of construction and certainly were intended to move through the construction stage to completion by the end of fiscal 1981-82 as I have said.

I wonder if the Minister can report to the Committee as to whether those 13 new personal care homes are all open and operating as of, not March 31st but April 30th, in other words, as of this past weekend?

**MR. DESJARDINS:** Those that have been open so far during 1981-82 was Baldur, the opening was around October last year — 20 beds; Ashern, October last year — 20 beds; St. Claude, January — 18 beds; Winnipegosis, last August — 20 beds; Eriksdale, February — 20 beds; Wawanesa, last September — 20 beds; Rivers, December — 20 beds; Golden Links, November — 90 beds; and then, of course, there were the Fire Commissioner Reports and Contingencies. Those were all nonproprietary, the nonproprietary beds were 228 beds that came onstream.

Then proprietary, there were the Maples, 200 beds, that was last July; Red River Place, 104 beds last June; Vista Park Place, 100 beds, last August for 404 beds.

Then there were less closures, closures of current Acadia and Mayfair last July 63 beds; and Selkirk 72.

That left the total proprietary was 269. So, 269 and 220; that was a total for new beds 497 new beds.

**MR. SHERMAN:** Mr. Speaker, to that list of personal care homes now opened, as of April 30th, can be added then the 30-bed personal care home in Hamiota and the 15-bed personal care home in MacGregor; Hamiota having been opened a week ago and MacGregor having been opened this past Friday. Is that correct?

**MR. DESJARDINS:** I think the member mentioned Hamiota and MacGregor, correction 20 beds not 15 in MacGregor and 20 beds in Lundar should open in July. I think you mentioned Rosburn — (Interjection) — Anyway there are four, Hamiota, Lundar, MacGregor and Rosburn, they're all — Hamiota 30 beds, the other is 20 beds for a total of 90 beds.

**MR. SHERMAN:** Those are all open now?

**MR. DESJARDINS:** Just Rosburn, as the member knows, will be this coming weekend.

**MR. SHERMAN:** Now those that were closed, all of which were proprietary personal care homes, the Minister mentioned Curran, Acadia, Mayfair, and Selkirk; what about the Nightingale Home?

**MR. DESJARDINS:** Mr. Chairman, this is what's to be closed, I think, if more proprietary nursing homes were going to be built. This is not the case, there is no emergency to close it, I'm told at this time. That decision of course will have to be faced, but we're waiting to see what's going to happen at Deer Lodge before making a final decision on that.

**MR. SHERMAN:** So, the Nightingale Home is still open and operating? Curran, Acadia, Mayfair and Selkirk consisted of 16, 22, 25, and 72 beds, which would be, I believe, 135 beds in total. Were the residents of those 135 beds transferred to the new proprietary care homes that have opened within the past year, most notably the Maples, Vista Park Place and Red River Place?

**MR. DESJARDINS:** That's correct, Mr. Chairman, the total number is 135 beds and they have been transferred to Red River Place in Selkirk. I think they've had a choice between the Maples and Vista Park Place, so that transfer has been done.

**MR. SHERMAN:** Obviously, some of the personal care homes that have been open in the schedule to which the Minister and I have referred would not be full to capacity yet, because some of them have only opened within very recent months and, in fact, some of them have only opened within very recent days.

But in the case of the Maples, Red River Place, Vista Park Place and Golden Links, we're talking about homes that are large in terms of capacity; 200 beds at the Maples, 104 at Red River Place, 100 at Vista Park Place and 90 at Golden Links. All four of them have been opened for several months dating back to late last summer. Can the Minister advise the Committee whether those homes, those four homes in particular,

are full to capacity at the present time or are they still receiving significant numbers either of panelled citizens, who have been seeking admission to personal care homes, or transferees from other personal care homes?

**MR. DESJARDINS:** Mr. Chairman, the larger ones are all filled and I think there might be approximately 15 beds or so in the rural area of the smaller ones that aren't filled as of yet — 15 beds in all, approximately, give or take a few.

**MR. SHERMAN:** Mr. Chairman, can the Minister advise the Committee what is the current total of personal care beds in Manitoba as of April 1st, 1982 as compared to April 1st, 1978? He can include the ones that opened in April and take it up to April 30th if those are the more convenient figures for him.

**MR. DESJARDINS:** Mr. Chairman, I won't try to make any other calculation at this time, I'll give the Committee what I have now and that's at the end of March, this is March 31st. The beds estimated 7,546 — (Interjection) — 7,546 . . .

**MR. SHERMAN:** When was that, though?

**MR. DESJARDINS:** That was at the end of March, 1981. Four were closed were retired at the Golden Door, so actually at the end of March, 1981 there were 7,542 and there was an increase during the 1981-82 year, that's the end of March again 1982, there were an additional 497 beds for a total of 8,039. The proposed change — I guess that will cover the other one, that will bring it past March to the present situation pretty well — there would be Hamiota, Lundar, MacGregor and Rosburn, those four that's another 90 beds so the rated beds for 1981-82 Estimates as of March 31st, 1983 should be 8,129.

**MR. SHERMAN:** Does the Minister have there, or do his officials have there, the figures for 1978, March 31st, 1978; the total number of personal care beds in the province?

**MR. DESJARDINS:** No, Mr. Chairman, I suppose we can get those, but we don't have it at present time.

**MR. SHERMAN:** I believe the figure was approximately 7,400, the tables will contain it and I will look it up, but I believe it is approximately 7,400, so we are looking at an improvement of some 700 net personal care beds in that period of time. There were more beds constructed than that of course. I believe my figures show that under the previous government there were in excess of 1,200 personal care beds constructed, but several hundred of them were replacement beds. I think we can assume we are looking at a net increase of approximately 700. I would just like to have that noted, Mr. Chairman.

Can the Minister advise what the status is with respect to a proposed, or considered and certainly approved, 40-bed expansion of the Golden Door and a new proprietary personal care home in Portage, which was to contain 50 beds; was to be built by the operators of the Holiday Retreat in Portage and the

old existing Holiday Retreat facility now containing 25 beds was to be phased out and replaced by the new personal care home? I freely admit, Mr. Chairman, that those approvals were granted by the previous government and that actions seemed to be very slow and forthcoming with respect to those two projects; so I don't ask this question with an ulterior motive, I admit to the Minister that although we approved those two projects, we were never able to get any physical action on them. I would like to know where we stand now with them?

**MR. DESJARDINS:** Mr. Chairman, I believed that I gave that information last week when we announced the program. I did state that, as the member has just finished saying, that although they have received the approval, they for some reason or other, they didn't proceed. That was stopped when there was a change of government. Now the beds will definitely go on the same number of beds — no, there might be 25 less beds, I think we are looking at the guidelines again — and discussion now that this has been approved, discussion will start as soon as they finish the Estimates here with the General Hospital in Portage and the suggestion is that we discuss with them the possibility of the same board taking over the operating of a personal care home on the grounds of the hospital there.

**MR. SHERMAN:** Twenty-five net new beds for Portage and 40 net new beds for south Winnipeg in the vicinity of the Golden Door are not contemplated within this year's program. Is that correct?

**MR. DESJARDINS:** The reduction took place last year. There is only being replacement beds in Portage. Now, I think the approval might have been for an additional 25; well, that will not proceed with at this time because it is over the guidelines the way we looked at it.

**MR. SHERMAN:** Well, when as and if the Portage one is built and under whatever auspices or circumstances, Mr. Chairman, is the Minister saying that the new personal care facility in Portage, which will replace the one that had been under discussion at the time of the previous government, will contain 25 beds and not 50 beds?

**MR. DESJARDINS:** Yes, Mr. Chairman, that is what they have right now. They will be replacing the beds and not adding any beds in that area.

Mr. Chairman, some other information that might be what the member was looking for; we would have to analyse that to find out exactly when they were built and to improve them. But I have March 31st, 1978, there were 7,393 that started in March, '79 there were 7,534. No doubt some of those had been approved by the former government; anyway from the end of '78 to '82, there was 8,129. That's what we feel we would have at the end of this year so that would make an addition of 736 beds.

**MR. SHERMAN:** Thank you. Mr. Chairman, I appreciate those numbers from the Minister and I want to come back to that for a moment but I just want to finish this question that I was exploring with him rela-

tive to Portage and the Golden Door proprietary personal care home in south Winnipeg. There were 40 beds approved for an expansion of the Golden Door. Now, the mechanics and parameters of the construction of those beds has changed as the Minister suggests, but is it still the intention of the government to supply an additional 40 personal care beds in south Winnipeg in place of what the Golden Door had first indicated or intended that it was planning to do.

**MR. DESJARDINS:** Mr. Chairman, no on that, but what were waiting for is the decision of what is going to happen at Deer Lodge, then we will look at if there's any need. But right now, because of the situation at Deer Lodge which will add beds also, we intend to wait and see if we can finalize that. As the members of the Committee know, we approved in principle the discussion that had taken place between our officials and the Federal Government. The situation is now that we expect the Federal Government to discuss with the Legion and the different groups of veterans and then to meet with us to see if we finalize, then we would want to meet with the Federal Government and these groups before we finalize and sign any agreement of takeover. When that is done, of course, I think I gave you an idea, we would have to finalize the plans, their approving principle; we would start immediately if we can have that this summer, then we will go from there. That will give us more personal care homes, more extended care beds, then we will go from there to see what is needed in the rest of the city.

**MR. SHERMAN:** Do I assume from that, Mr. Chairman, that the Minister is saying that when the different context of Deer Lodge is achieved, and when the different administration is achieved that there will be personal care beds in Deer Lodge as well as extended care beds?

**MR. DESJARDINS:** Mr. Chairman, if this is not the answer that was required, I was busy chatting here with the official to try and get the information. If we go ahead with Deer Lodge it should give us 150 more beds to be allocated to the federal but taking care of the same type of people, Manitobans; then there would be another 250 new beds but that will be personal care beds and extended treatment care which . . .

**MR. SHERMAN:** There will be personal care and extended care?

**MR. DESJARDINS:** Yes, to break that down, I couldn't do that at this time; but it would be 250, total.

**MR. SHERMAN:** Mr. Chairman, the Minister in his opening statement on his capital program said that the program will provide for 519 new personal care beds, of which 337 are replacement of older facilities. That would make — I am quoting myself now, not the Minister — the Minister said, "The program will provide for 519 new personal care beds of which 337 are replacement of older facilities." Mr. Chairman, that would make for a total addition of 182 beds, that is, the net increase to the spectrum would be 182.

Where do these figures come from, the 519 and the

337? Do they come from the 1982-83 program which the Minister has released? I must confess that I've not been able to identify those figures in his 1982-83 program. Do they come from the '82-83 program or are these what he's talking about at the end of his five-year program in '86-87?

**MR. DESJARDINS:** Well, Mr. Chairman, we must remember, of course, that this is part of the first phase of the five-year program. I think I explained it fully extensively to the Committee last week, that we are talking about now, beds that have not been opened. Some of them were approved beds that either will start, are under construction, or will go to tender immediately, or are in the approved planning stage providing they all go through. This will be the 519 and the 337.

Now after that, that would take care of one, two, maybe three years or so, those that we approve three years from now. The members of the Committee might remember that I've also instructed the Commission and I enumerated a number of projects, that they are going to resume or start functional programs. Some of them anyway will be brought in front of the Cabinet next year, then they could be approved for planning next year and start the following year. That might go on for the remainder of the year, so that is not the whole picture, but right now those are only those that have been approved for — that are either under construction, that we have authorized to go to tender immediately, or that are going to architectural planning at this time and those are the ones that are not opened as yet.

**MR. SHERMAN:** I understand that, Mr. Chairman, what I am trying to clarify is whether we are talking here about one year, or three years, or five years. I gather from what the Minister has said to me that although his statement indicates that, at least on the surface, he may be talking about the program for 1982-83. Really, when he's talking about personal care beds and additions and replacements, he's talking about something three years down the road, and it might even be five years down the road; 519 new personal care beds of which 337 are replacement beds and therefore of which 182 are new beds does not represent the program that is coming in 1982-83. So far, all it represents is the program that's coming by 1986-87. What he's saying is there may be some additions to that when he gets to Treasury Board next year, or a year after that, or a year after that, but at the moment his five-year program confirmed, consists of 337 replacement beds and 182 new personal care beds, as I read his statement.

**MR. DESJARDINS:** The figures are right but I can give you those that are going under construction right now. So, it won't be in three years, it should be this year or next year at the latest. There's Rosburn, MacGregor, Eriksdale, Lundar, Hamiota, Glenboro, Reston, Morden-Tabor, Grunthal, Steinbach and Carman Boyne Lodge. Now, all those are going in construction, that's most of them. Then in planning there is Brandon-Fairview, Brandon Salvation Army, Lac du Bonnet and Pine Falls. Those are planning and they authorized the plan and they could go in con-

struction next year. So, I would imagine that most of these beds should be open in two years from now; I'm not talking about Deer Lodge and some of the other things at this time because the construction on the university — (Interjection) — the Rh Building also is going to tender immediately.

**MR. SHERMAN:** Mr. Chairman, the projects that have been approved for construction in 1982-83 in the personal care field as enunciated by the Minister's statement add up to 140 beds as I read them, and of that there are 16 replacement beds at Glenboro. So, we're looking at a net increase of 126 personal care beds in 1981-82 program; a 20-bed home at Glenboro to replace the existing 16-bedder; a new 20-bed home at Reston; a 40-bed home at Grunthal and a 60-bed home at Steinbach scaled down from the original 80. So, the statement seems to indicate that we're looking at 124 net new beds, 140 gross in 1982-83 Personal Care Home Program.

Now, the Minister has referred to a number of other sites, locations and projects, but unless I have misread his statement, he has not indicated anywhere that I can see that those other projects are going into construction at this point in time or are even scheduled to go into construction in 1982-83.

**MR. DESJARDINS:** Mr. Chairman, I can only give the members of the Committee a guess at this time because those are proceeding as fast as we can. So, out of the 337, we could reduce about 15 that might not be going in construction this year, so that would leave 322 out of the 337; then 519 we could deduct 65, so that would be 454. Also in the 182, well of course that would be from the 182, that would be 117 and that's not talking about the other project that I mentioned.

**MR. SHERMAN:** Mr. Chairman, the reason I'm pursuing this line of questioning is I'm trying to get precisely at the plans and intentions insofar as the supply of personal care beds in Manitoba and to Manitobans is concerned. The Minister has indicated that between March 31, 1978 and March 31, 1982 the spectrum went from 7,393 beds to 8,039 beds net, and with those that are to come, that are under construction at the present time, it'll go up by another 90 beds to a total of 8,129 net.

Now, the question is, where precisely are we headed in terms of personal care beds supply and when are we going to get there and what are the objectives, targets and guidelines of the government in reaching that point? We're talking about adding a net, as I read it, as I've suggested, of some 124 personal care beds to the spectrum this year. The Minister says it'll be higher than that because of others that are under construction, but I can't find those. There are 90 that are under construction right now that will be coming onstream within a very few weeks, maybe some even in a very few days, but his program addresses 140 beds of which the net is 124. So, if we take the March 31, 1982 figure of 8,039, we add the 90 that are under construction right now such as Rossburn, and nearing completion, and bring it to 8,129 and we add the program announced by the Minister for 1982-83 which is 124 net. That brings us to 8,253 personal care

beds in the province. He says that negotiations are progressing with Deer Lodge and there will be some beds at Deer Lodge designated as personal care beds. That's fine, that's acceptable. What is he aiming for? Is he aiming for 9,000 personal care beds in Manitoba? Does he intend to work in an orderly fashion to achieve a target of 9,000 personal care beds, or what is it precisely that we are aiming at?

If we were to look at the Health Service Commission's own guidelines of 90 beds per 1,000 citizens over age 70, we would probably be looking at 9,000 personal care beds for Manitoba as a whole as being an adequate figure, provided they were distributed properly — I'm not precisely sure of the population of Manitoba that's over age 70 but the Commission knows and they can tell me — I believe it's approximately around the 100,000 mark. So if you were looking at 90 beds per 1,000 as your guideline then we should be looking at a target spectrum of 9,000 personal care beds for Manitobans as being representative of adequate quality response to the need for personal care facilities.

At that juncture perhaps attention could be turned to sell these programs and support systems that are needed in this area of geriatrics. I'd like to know from the Minister whether that is the target that he's aiming at or if there is such a target and whether his plan calls for the orderly progressive achievement and attainment of that 9,000 total? If it does, he's got some distance to go. His target may well be below 9,000, Mr. Chairman, it may be 8,500 but he's got some distance to go.

Under the previous government we went from approximately 7,400 to 8,100, and that was 700 net new beds, not counting some 500 replacement beds. He faces the challenge of replacement beds too, in both Westman and Eastman where he's got to take the hard earned resources of the taxpayers of Manitoba and expend them on projects that will provide a very limited increase in the net personal care bed spectrum. What they will do will be put new plants in place of old plants. They'll replace old beds but they won't add a very great deal to the overall spectrum. So he faces a considerable challenge if he expects to reach a target like 9,000 at the rate that he's going. That may not however, Sir, be his target and I would appreciate his comments on that point.

**MR. DESJARDINS:** Well, Mr. Chairman, I think everything that was said today is an argument for long-range planning instead of year by year. This is what we're trying to do. There's a lot of other factors in there. I will try to cut down, there's different information that I'd like to share with the Committee.

First of all I think I'll be more specific and give an idea what we think will be open this year — and I'm not talking about Deer Lodge, and I'm not talking about the Rh blood building at the University — those that will definitely go into construction and should be finished if everything goes well, that's the best guess I can make. There's 20 new beds in Rossburn; 20 new beds in McGregor; 20 new beds in Eriksdale; 20 new beds in Lundar; 20 new beds in Hamiota; Glenboro, 20-bed construction, that'll give us 4 beds — and I want to come back to that because I think it's an important factor — Reston 20 new beds; Morden-

Tabor 30 beds, not new beds, those are strictly replacement; Grunthal, 40 beds construction, we lose 1 bed there to replace 41; Steinbach, 60 to replace 66, we lose 6 beds there; Brandon Fairview, 93 instead of 77 closure, that's plus 16; Brandon Salvation Army, 65 to replace 66. Oh excuse me, I shouldn't have mentioned Brandon Fairview nor Brandon Salvation, they're still in planning. Lac du Bonnet also, Pine Falls also, Carman 41 the same number.

Now not counting what's in planning, there should be 311 beds constructed for an additional 117 and phasing out 194 hostel. That's very important, those are new beds. I think the government — and that's easy to say because it wasn't my honourable friend it was our government previously — when they decided to ensure that I think they went too fast and they covered pretty well what was built and there were different levels of care and there were many hostel beds. We don't think it's fair to cover some hostel beds in certain parts of the province when level three and four are needed in other areas. If we're going to have a program we should say okay, we're going to cover where it's needed the most. I'm sure we'd start it when you're panelled and you go to personal care homes, three or four, we wouldn't cover a hostel.

Now for different reasons that are too numerous to enumerate at this time I think it would be impossible to change completely but the direction that I give the Commission is that we phase these out as soon as possible. So when we say that there'll be less beds because there'll be only 117 new beds, I think we have to remember that those are hostel beds that will be converted in new personal care home beds so in effect, we will be going out of the insuring hostel beds — that will take a little while before that's finished — and the beds that we will have will be used for personal care beds. In other words people that would be panelled eventually, that might take six or seven years before that is done.

Now as far as I'm concerned that is not a policy of the government as such. I would see maybe the private sector going into this, like guest home or hostel and so on, but not covered and not insured at all. This would be something if there's a need, fine, that could be done. I certainly wouldn't have any objection on that at all. But then our aim would be to the people that it was felt should be panelled to go in a nursing home, personal care beds not hostel beds, would be taken care of.

Now I don't want to be too specific because the member himself challenged us, challenged the government to say, don't go necessarily with the same old tired system if you can change it with programs and so on, you should do that but I'm sure that he's talking about on the present guideline what would be needed. Well the present guideline, the bed requirement as to my guideline and my friend's guidelines previously, there should be 7,344, not 9,000, but personal care beds and I think he will realize what I'm saying. We have at this moment 8,128 but of those beds, 1,520 are hostel beds. So by the end of this program if we follow the program the way we have — and I think I must be fair — I think that includes those that are going on functional programs for this because to my mind it's still our five-year program although I want to make it quite clear it's not approved, but if we go along with

this at this time, we should require 7,354.

Now we will be pretty darn close because we will have 8,523. There will still be 1,071 hostel beds, therefore excluding the hostel beds which is really the figure that I'm looking for would be 7,452, we will be close to 100 overbedded but then we will be swinging fast. It will be the turn of the century and then we would be starting over just to catch up. By that time, this phasing in of new beds — it's not just new beds, but a lot of beds have to be replaced, that's an important thing — if you don't replace them it will be minus beds. So actually in a way you can argue and say you are giving plus beds because we don't want to stay with beds that will be condemned. So actually this is what we based ours upon with the program that I announced, including the initiative that I took in my capacity as Minister — it hasn't been approved by the Cabinet as yet — where I said to the Commission, go and look at functional programs. I'm not going to repeat that all, but we should be pretty well on and we would have phased out approximately 500 hostel beds by that time that would be converted into personal care beds.

Of course, in the city we're not really that badly off. We don't want to start too many things in the city. Next year we might have to speed that up. We'd have to look at the situation but I think it would be wrong until we know what's going to happen in Deer Lodge.

In Deer Lodge we might have to change our policy a bit. It might be that there are more beds in that area. We can't just move the building, we must build on that site and it's possible that some people will have to go to that location and maybe not be just within the two or three blocks that they have been living but we have to do the best we can under the situation. That should be a very satisfactory experience.

I hesitate in making an observation and I don't want to change the subject at all — I have no authorization at all — maybe I could enlist the members of the Committee to see their reaction on that. I intend to make a proposal to the Provincial Cabinet. As you all know, Mother Theresa is coming here probably fairly soon, in June. I don't think I will have much of an argument if I stated that, as far as I'm concerned — I think a lot of people will agree with me — she's probably the greatest or certainly pretty close to the top of the list living person right now, at this time. I'm not talking about politicians or scientists, I am talking about just a walking saint, if anything, and one of the proposals that we are studying is the possibility of maybe if we go through — and there's a lot of ifs — but in her honour when she comes in, if this Deer Lodge thing is advanced of maybe calling that the Mother Theresa Gerontology Centre in recognition of her efforts with the sick and the poor across the world. I didn't mean by that to change the subject. We will go back to the information, but if I might have an opinion and maybe you can share your opinion with me on that.

**MR. SHERMAN:** Mr. Chairman, I couldn't agree more with the Minister when he talks about the projected change with respect to hostel beds and the ensured program, generally. I agree that is the proper direction in which to be moving and I am pleased that the government is continuing to move in that direction.

Certainly, we were attempting to move in that direction and I daresay that even in the last year or two of the Schreyer government, there was recognition that perhaps the decision to take them under the insured program spectrum at the outset of the personal care programming initiative had been somewhat hasty and premature and should be reconsidered. So I agree with him on that.

I am also pleased to have that target figure that he's referring to, so that we know where his programming proposals fit and what sort of, at least intended staging and phasing we are looking at. I agree with him wholeheartedly with his reference to the necessary replacement beds. Of course, that continues always to be a major part of the problem. Many times your limited dollars have to go simply for health and safety reasons to replacement rather than to new facilities and it will always be thus, but what it means of course is, that you are not getting that addition to the net bed total in your spectrum that you might otherwise be pursuing. However, he's identified a target that is certainly reachable and we on this side, will look forward to all reasonable and fiscally prudent attempts to reach it as quickly as possible.

In part my question is derived from the fact that there really, Mr. Chairman, is nothing new in the personal care home program that the Minister has announced. The new government elected November 17th, 1981, has not here in its personal care program particularly for 1982-83, identified or announced any new projects. What the Minister is doing is carrying on with 90 or 95 percent of a program that was already in place. In fact, there are one or two cutbacks.

Manitoba has been cut out and moved back; Elkhorn has been cut out and moved back; Steinbach has been reduced in bed totals so what it is, is a very cautious and conservative application and continuation of a program that was already in place. What I want to assure myself and the Committee and Manitobans of, is the intention of the government to pursue a program of necessary personal care bed construction and replacement to the point of completion as early as possible, so that their attention and our attention and dollars can be turned to some of the other things that we need in the personal care and geriatric field.

In personal care, for example, when he has achieved and when the Minister has reached this target of 7,300, 7,400 beds, excluding the reference to hostel beds, but 7,300 or 7,400 personal care beds, will those beds be distributed properly in the province? What about the whole question of distribution?

Secondly, what about the problem of special needs personal care? Is the government intending to develop its plan, its approach and its program in such a way as to be able to start looking at personal care homes for persons in particular physical circumstances? I think of persons well under pensionable age, well under age 65, Mr. Chairman, who are not people who are suffering from the debilitating effects of gerontological illness or gerontological deterioration, but who suffer from particular diseases and afflictions such as multiple sclerosis and many others and particular physical disabilities that make it highly desirable, indeed, perhaps even necessary, for them to have the kind of environmental care setting that is represented

at the present time by the personal care home concept, so we need to be looking at personal care homes for those specific categories of people.

Now, admittedly when a province like Manitoba embarks on a personal care home program and tries to meet the essential needs of the aging population and hit those guidelines of 90 beds per 1,000 over age 70, there is a great deal of work that has to be done for several years in order just to get within shooting distance of that ultimate goal. But, as we do approach that ultimate goal, the question now looms as to whether the distribution of those beds will be correct and whether the government is putting in place plans now to look at development of other kinds of personal care facilities and personal care settings for categories of persons such as those whom I've described. In other words, younger people, not geriatric patients, but younger people with problems who need the personal care home setting.

You can't put those citizens in a personal care home setting - fairly - in today's conventional personal care home setting. It's neither fair to the elderly residents of the personal care home, nor is it fair to the young person himself or herself who is confined to a wheel chair or confined to bed. They come from different age groups; they come from different generations; they come from different perspectives on life; they have different ambitions. The younger people are young people even though they may be debilitated; the older people are elderly persons and it's not really fair to either to mix the two, so we need that special kind of personal care home.

I would like some assurance from the Minister that, in the manner in which he is proceeding, which I might say is conservative in two senses: conservative in the generic sense and conservative in the sense of the Progressive Conservative Government of the past four years. He also is determined that bed spectrum capacity target is within reach and will be reached in an orderly way within the next two or three years, so as to permit him and his colleagues to turn to some of these other personal care needs.

**MR. DESJARDINS:** I might say that I came here today prepared to discuss beds and construction, not necessarily what past government there was. Now, this is no criticism at all, but that's been my experience so far in dealing with this department. Now, it certainly is the right for anybody to get the figures that we've been asked today and I've instructed staff compiling this information. I hadn't requested that at this time.

What I am trying to say is, I didn't come here to criticize any past government. It's just to go ahead with the program. Now, I might say that if we are going to talk about different parties and that's fair enough, or different past governments, I would say that the program of the last four years, that practically 90 percent — my guess might be wrong one way or another, but I think it's pretty close — were things that had been announced by the previous government also. The same thing could be said that the previous government went along pretty well with what we had announced. I am not ashamed to admit that this is the case this year, and I don't think the former Minister should be ashamed and I don't think he is. I think that

speaks well for the Commission that we have, because the planning has been done with the Commission and I suspect that I know how the former Minister reacted to that and the confidence that he had in the Commission which we had set up in those days. I think it is a good planning branch and I think they have done an excellent job and I think that we took something. They hadn't had much planning prior to about '74 or about the time that I went at the Commission, somewhere around '74. The planning was in the department somewhere else, in the White Paper group, and there has been some neglect at the Commission and this is what we tried to establish.

Now, I think the criticism that I had placed, if anything, in the former government was the freeze that we had. I said what I had to say at the time and I don't back down from that. I think that was a mistake and then, in the latter years, there was a direction going as to more personal care homes because it was felt that we needed these beds. So, therefore, I wasn't intending to make any comparison and I still don't, unless we absolutely have to and then, fine. I certainly will defend our action.

Now, what I'm pleased and what I like about this program is that it's actually more of a five-year program and that's exactly to do these things. That is not one year at a time and I think it's easier to plan and it's easier to explain to the public and to the colleagues in the House and to the Opposition and I think, because of the planning, we were able to rectify some of the honest mistakes, I would think, that were done in the past that we feel are mistakes. It is, for instance, that extra so-many-beds that the member mentioned for Steinbach that are getting away from the guidelines. We've been able to look at the guidelines to try to plan and I think that our target is right on. I think that we will have the beds; we will have many new beds. We don't have too many of the old beds. That will be one thing. We will have phased the hostel beds to personal care beds and then, we will be pretty well on.

Of course, the member is absolutely right. That is not the end of it. There is the hospital. We talked about Deer Lodge; we talked about that. We should talk about the psychiatric hospital for the youngsters which we didn't talk about. It's a hospital, but that's part of the Construction Program also and that's taking care of some of the specialties that my honourable friend is talking about. We are looking also at the Ten Ten Sinclair and Focus One, Two and Three; I think that will answer some of the programs that we have. Luther Home is a proposal in front of us now, but the main thing and I didn't touch on this at this time, but we agree — I'm sure we agree, the discussions that took place — that we want to look at the whole thing, the whole programs and the new concepts, such as the home care was fairly new a few years ago. Enriched senior citizens homes is something fairly new, and we feel that might come in the picture. We are looking at that very seriously and if we go with enriched senior citizens homes, it might be that you will cut down on the beds that you will need because enriched senior citizens homes would mean a more co-ordinated home care and you might be able, because of the staff that you might have, you might be able — I don't know yet. We certainly will look at that.

In some areas that we covered last time, we were

talking about areas where they are overbedded, but that special centre such as St. Jean Baptiste and some areas like that are overbedded in the region, but they have nothing there at all. The answer might be enriched senior citizens home with three, four beds designated as personal care beds. We will look at that, we want that flexibility. All these other programs will come into effect.

So all I'm saying is, I don't actually want to make any comparison. I am not evading, but when a thing goes well it's not up to me to start to battle. If I have to, fine, I'll join in. Things have been well, it's been constructive and I am making every effort to keep it at this level which I think the member will understand. It is to my advantage to do that and I think it is to the advantage of Manitoba because I think it's more constructive. Now, having said that, I looked at where we are going, what we have now, I am satisfied with that. I recommend that we are going ahead with this program of five-year planning.

I'm not saying that every planning was done year-by-year, but it was announced year-by-year and there was no final decision made. We would go ahead and it was a little more difficult. I think then there was the temptation of looking at each project individually more than we are doing now because of what we are trying to do, of reaching our target of converting these hostel beds and bringing in new programs. Well, it's not recommended. This is what I announced that we are going in that direction.

I will try to have more of a breakdown of beds for the last little while and I don't know if I'll have that tonight, it might be possible. But I will see that this information is given to my honourable friend and if we can't finish it — I hope we finish this tonight, it is the intention — if not, there will be other years that we can discuss it anyway and I'm sure that I will be reminded of the commitments that we made and that the members of this Committee will want me to deliver as much as possible. So we'll have another chance to discuss it.

**MR. SHERMAN:** I don't need those figures during the deliberations of these Estimates, Mr. Chairman. There are just two points I would like to make relative to what the Minister just said.

First, what I wanted from him was an outline of what he thought the target was, where we should be headed. If the Minister had come into this House and said we are building 1,000 net new personal care beds, he would have had more criticism from me than he is receiving from me for the position that he is currently taking because we have many challenges and needs in the system. Although, there would be people who would argue that we need 1,000 more net new personal care beds because there are people on waiting lists, I think that it could be demonstrated that we perhaps need only half that figure and the resources that would be expended on the other 500 could better be expended on other programs in the gerontology field. So I wanted an idea from him of where he was headed and what he thought the target was.

The second point I want to make, Mr. Chairman, is that I agree entirely with the concept of enriched elderly persons housing — and that was a question I was going to raise with the Minister — as to whether he is working with his colleague, the Minister respon-

sible for the Manitoba Housing and Renewal Corporation on identifying areas in the province where the most useful and efficient and even prudent need, certainly the most worthwhile need in terms of attention to the elderly population is concerned would be met by building enriched elderly persons housing, rather than by building personal care homes.

I know of a number of communities which I visited in 1981 who had specifically identified that desire to me and it certainly was my intention, had our government been reelected to work towards infusion of a number of major initiatives in the enriched elderly persons housing field in 1982-83, through and with my colleague of the day, the then Minister responsible for Manitoba Housing and Renewal. In fact, we had reached a very gratifying meeting of minds on the subject.

The Minister of the day in housing had concurred in the position that the Commission and my office was taking with respect to this direction in the field of care and services to the elderly. So I endorse the Minister's remarks on that concept. I hope he is working with this colleague, the Minister of Manitoba Housing and Renewal on that very theme. He is nodding his head in the affirmative, Mr. Chairman, which would indicate that he is.

Mr. Chairman, I had a few other questions on personal care that I wanted to ask the Minister. The Minister indicated the other evening in response to, I think, questions from my colleague, the Honourable Member for Portage La Prairie relative particularly to the Holiday Retreat in Portage, that this government's position with respect to proprietary personal care homes is different from the position that our government took. That was, we felt that there were more benefits to be achieved through a mixed system and the counterbalancing checks and balances that such a system provided than disadvantages. So that we had made it plain to proprietary operators of established track record that, provided they built to and maintained the standards that are necessary for all operators in the personal care field under the licenses granted through the Commission, be they proprietary or non-proprietary, that applications from proprietary operators would certainly be received and would be adjudicated on their merits and would not be rejected outright through any particular set position that might be taken on that philosophy in the personal care field.

The Minister indicated to the Member for Portage that the present government is not of the same view. However, when the questions from the Member for Portage came up, there was considerable ground that a number of Opposition members of the Committee wanted to cover that night with respect to projects in their own home constituencies so I did not want to inject myself into the debate at that time. Certainly, the Committee has been generous in permitting me considerable freedom, flexibility and time in this debate, so I didn't enter it at that time and I would just like to ask the Minister now for clarification on that point. Is my understanding of that position correct?

**MR. DESJARDINS:** Mr. Chairman, there is no doubt that the policy of this government is that we will not encourage proprietary nursing homes in the system that is covered under hospitalization. We don't believe

in profit motive in the hospitals or schools or personal care homes.

Now, having said that, I want to make it quite clear that I am not saying that everything about a proprietary nursing home is wrong. If it was a question of being that dogmatic, well then we would close them immediately and this is not my intention at all, without any hesitation. I can tell you that as of now anyway, it is not the intention of this government to — and I think our position was made quite clear in the past when we were in Opposition — it is not the intention of licensing any proprietary construction of any proprietary nursing home. Now there's a danger of talking about this at this time because I want to make sure that I'm not trying to accuse or to knock any of the present homes at this time. We will certainly try to co-operate with them and work with them as much as possible.

Now the danger of this — and if you've seen so many abuses and you've seen so many abuses in the United States where there's so much of that, I think it is understood that in the service area there's a danger when you use as criteria of success — you talk about all the success of the free enterprise and they can operate at a lesser cost — the danger is that to make a profit — and if you go in business for that, there's nothing wrong with that. So, therefore, you're trying to maximize the return on your money and if you didn't do that, well you might as well not be in business if you felt that you couldn't make the money, you might as well just take the money and invest it somewhere. You wouldn't have to have all the problems with the unions and other areas. So, therefore, I'm saying the danger in the service area is a little different because then where are you going to save? And you've got to save as much as possible, you've got to cut down the expenses as much as possible if you're going to make a profit that you feel you're entitled to.

So, the danger of that is that you start cutting down on staff. You might say, well all right, you've given guidelines, but it's always been very difficult to assess. In my past experience that we've had an awful lot of trouble of being able to look at their books and looking at the situation the way it is. In fact, I don't think that we fully had that co-operation although I think there's legislation that would make that possible. So, that's one thing.

Now the other thing is, that to do that, the temptation might be that you might keep some of the patients doped up for a while or with so much medicine that they will be less trouble and you'll be able to manage with less staff. Now, maybe my choice of words are not the best, but as I say, I'm not making any accusations, but I'm saying the temptation is there. If you're giving drugs to people and getting them calmed down a bit, they'll sleep an awful lot more and you won't need the staff.

Then, there's the danger also of maybe wanting to change beds and change the patients less often especially if they're asleep and if they're not complaining, everything is orderly and a lay person can walk in there and everything looks in perfect condition, everybody is satisfied, everybody is sleeping, but there's a danger that you convert these people to vegetables also. That's not what we want.

Now, there's another possibility. I know that the members of the former government did not like the



idea when some of the members on our side, in Opposition in those days, talked about maybe cutting down a strip of bacon every day every patient or change the beds every — you know, wait twice as long, make the sheets go twice as long. But those are all things that the people that are motivated by free enterprise could claim to be very efficient and they would be in a normal sense, but they're not necessarily efficient when you're talking about delivery of services. Now, everybody is entitled to their opinion. As I say, there's a lot of very good people, very kind people in the private sector. I think that was demonstrated in Manitoba. It is not these people that were aiming at; if that was the case, we would say, well we're going to expropriate them or close them as soon as possible. This is not what we're saying.

We don't like the system and we don't see the difference between that and a hospital going into a private hospital. You know, I don't remember the title of the book of the personal care homes or senior citizens' homes or a hospice, whatever they call it - I don't remember the title of the book that was written a few years ago dealing with personal care homes especially in the States. I think it was around the New England States and we certainly know of some of the abuses that they have in the States in general hospitals and acute hospitals. We think that we can give better service when we have people, of course, on salary, but not people that are motivated by profit and will have to cut the service. It might be called more efficient to get the proper profit that they feel they're entitled to.

So, it's as simple as that or as complicated as that. It's not a question that we're going to close these people. It's just that we will not license any new ones and when we have to replace any beds, it will be a non-profit organization.

**MR. SHERMAN:** At the present time though, Mr. Chairman, and into the foreseeable future, is the Minister saying that those proprietary homes that are in existence will continue to operate as proprietary homes, or is the government intending to review that status with them?

**MR. DESJARDINS:** I guess I'll have to be very candid, but then I'll have to speak for myself. It is not my intention to change anything there at all. Now, it could be that this could develop a policy of government. I'm not saying that because I think there's something brewing, there isn't that I know of and I think it's going to go like that. But you know like my honourable friend knows, Cabinet could make certain decisions that I would have to carry out, but now I'm satisfied with the way things are going.

I'm satisfied that if there's a choice and non-proprietary nursing homes are better; I'm satisfied that we will be careful with the standard of all our personal care homes, including the proprietary nursing homes and as long as they are co-operating and working the way they've been in the past and they keep the proper standards, I personally have no intention to change anything in that at all and I'll continue to work with them.

**MR. SHERMAN:** What would be the Minister's posi-

tion, Mr. Chairman, or advice with respect to an application for a proprietary personal care home that was on hold, an application that had come in from a proprietary operator at the time of the previous government and had not been approved but was on hold for future consideration, an application to which there might have been some expenditure connected, some financial outlay involved and which would require more financial outlay and further investment if the proposed proprietary operator were to continue to maintain that position on a speculative basis on the off chance that he or she might have an opportunity to speak to the Minister and the Commission and the government at some time in the early future about going ahead with that project, what would the Minister's advice be to any proprietary operator in that position, that he or she should wind that project down and get out of his involvement?

**MR. DESJARDINS:** I think my first inclination would be to tell him not to hold his breath too long. Then, of course, as I say it's not the position of my government that I think is very clear, it was mentioned many times. I would have to tell him that is not our policy to approve any of them but I certainly would listen to him with an open mind as long as he understands that the chances are not that good. I'd listen to him and if there's some circumstances that I feel would be helpful, that's where you would lose me. You wouldn't know what happened after that but I certainly would bring it to Cabinet if I felt that there was some particular reason and those things happen at times.

I would not feel that I'm abandoning any policy providing, of course, he could convince me that it is a special situation, I would feel that a decision could be made. If I felt that he has demonstrated a willingness to co-operate and if he could convince me of that, I would have no hesitation of talking to him and maybe discussing it with my colleagues in Cabinet. He would have to start knowing that it is not our policy; that we kind of frown on that, in general, but there can be an exception to every rule, especially in the fact when the member is talking about somebody that is now operating a non-proprietary personal care bed home in Manitoba. I'm talking about that, not somebody that would want to start operating it. I wouldn't even talk to them at this time. I would tell them that's against our policy.

I was just going to say I'd want to make sure I'm not making this as a blank coverage in case I'm getting certain phone calls. Some people I feel, have not demonstrated that willingness, some different operators, and I wouldn't be too anxious to see them in this field and wouldn't encourage them at all. I'm as candid as I can be.

**MR. SHERMAN:** Mr. Chairman, there was some discussion several months ago about a possible change of ownership at the St. Adolphe Nursing Home. At least one community service group had expressed, at least, superficial interest in possibly assuming operational responsibility for the home from the proprietary owner. That question was in front of the previous government and, in fact, was never conclusively dealt with; it was never resolved. I think it floundered on sort of the lack of agreement or understanding

between the two parties who had first expressed interest in proceeding with it. Are there any discussions or plans under consideration by the government at the present time relative to St. Adolphe and administration and ownership of St. Adolphe PCH?

**MR. DESJARDINS:** Well, Mr. Chairman, we would want to look I think to see if whoever is suggesting that they could operate it, what kind of experience they have. It's not automatic because they're a non-profit organization that we feel that they could do a job, they would have to demonstrate some kind of experience and we would have to be assured that they could do a good job of administering.

Now this would be very difficult at this time because that would mean, I would think, that those people do not have the funds; that they would want us to purchase from a proprietary nursing home and then turn it over to them. It's certainly not my first priority. I say that because I've had experience in the past also.

Well, all right, let's call a spade a spade. The same operator has started a hostel or a personal care home without a license; he's been told he wasn't going to get a license; he's pushed ahead and then he came in to us with a threat that eventually these people, if they weren't covered, what would we do with them.

In fact, the province purchased a home from Mr. Brousseau, I think it was in 1976, it was the Foyer St. Boniface. Then we convinced the Grey Nuns to take over the operation and it is marvelous. The building is not that good, it'll have to be replaced but the service has been marvelous. My mother-in-law happens to be there and they had their annual tea yesterday and I was there. The service that is received from the Grey Nuns, you can't beat it. I think you can match it but you certainly can't beat it.

We don't intend to keep on in this thing where somebody starts to build something and then feels he wants to get rid of them, or something, that the province will have to buy it. It's certainly not a priority. Those beds are there and he's free enterprise. If he wants to sell it that's his business but at this time it is not our intention to start buying out which, in effect, would be some kind of a voluntary expropriation. He'll have to conform to the standards like all the personal care homes, proprietary or otherwise. No, if somebody has the funds and they said we're going to pay if we can go ahead with just the same per diem rate as others, if it didn't cost any more money, if there was a way. I don't know if that could be done. If we were satisfied that the people operating it will do the work and if the beds are in good condition; if the building has to be knocked down and start building all over again, there's nothing there to sell.

**MR. SHERMAN:** Mr. Chairman, I would like to ask the Minister what his position is or what the government's position is with respect to the format for residential per diems in personal care homes. As the Minister will recall the previous government introduced a schedule that provided for an automatic increase in the per diem on a quarterly basis. This was not a unique concept, I believe it's done in Ontario and various other provinces. The formula was worked out with a careful eye to the disposable incomes of residents and the indexing of their pensions. An existing ratio,

perhaps unofficial ratio but nonetheless an existing ratio, that saw 23 percent of the cost of the Personal Care Home Program paid for by the residents in approximate terms and 77 percent of the program borne by the government.

Now, admittedly there was a debate and a doubtless legitimate debate over the formula introduced by the previous government which called for that automatic quarterly 50-cent increase. It was not something that was done lightly, however, Mr. Chairman. It was undertaken with a view in mind to maintaining the integrity, the quality and the survival of the Personal Care Home Program while protecting the resident, in terms of his or her disposable income in a way which I think figures demonstrably showed was consistent with the kinds of disposable income, the levels and the gradual increases in their disposable income, which had been in existence during earlier years of the program.

The present Minister when he was in Opposition didn't agree with that approach and early after taking office he put a moratorium on the automatic January 1 increase and subsequently announced an increase in March. At that time, he said that he had not determined what his final approach to format for residential per diems would be. I would ask him if he can advise the Committee where he stands on this subject.

I just want to say, because I don't want to get into a long and acrimonious debate on this point, Mr. Chairman, that I'm not sure that we should allow ourselves to be dragged into a debate based on percentage increases, because percentage increases are extremely misleading. Obviously 50 cents is a much bigger percentage of \$6.00 than it is of \$16.00.

With a view to what is happening and what needs to be done and where we're headed really in the context of the kind of long-range planning that I've talked about and the Minister has talked about, we thought that this was the most equitable way to go. Admittedly the first one or two increases might have alarmed the Minister, it might even have alarmed some other citizens, but looked at in the context of where the cost of the Personal Care Home Program was going and where the residential fee was going over the next five, six, seven years, we felt that introduction of the automatic 50-cent quarterly increase provided the fairest and most equitable answer for all concerned. It was also a one-step answer.

The residents of personal care homes knew then where they were from then on into the foreseeable future; they didn't have to be confronted with any sudden surprises in terms of increases of fees and sharp reduction in their disposable income. They knew precisely where they were headed and the mechanics of the idea enabled the program to maintain itself at a level both of viable input from government and viable input from the resident, without having to get into political debate every time it became necessary to adjust those per diems.

Those factors and others constituted the rationale for the decision, Mr. Chairman. I don't dispute the Minister's right to challenge the formula or the format or even to challenge the amount of the increase but I do want to say to him that was the rationale for it and frankly although as I say, perhaps for the first couple of increases it might have appeared to be a little

uncomfortable, I really believe it made for the most a comfortable approach for the future, both for the resident and for the politician involved, in this case, the Minister of Health.

**MR. DESJARDINS:** Mr. Chairman, as the honourable member knows, I'm a member of the Cabinet and things are decided in Cabinet and I'd like to choose at this time to give him the Cabinet position. After all, this is what I have to do to defend that position. I would think that the difference that we have first of all, from now on it will not be automatic. We will want to look at the situation. It might be that they will end up in having an increase every time there's an increase in the pension, that's possible. It will not be automatic, there won't be an Order-in-Council, that has been rescinded.

Secondly, the Cabinet and the government wish to look at the cost-of-living index. The position is that at no time will the resident in one of these homes be in a worse position than he has been. Now, in other words as you go along because of the increase that it doesn't eat in the portion that he would have. It will be based on the cost of living or consumer price index from now on. Normally, I would believe, we will have increases and that might vary depending on the cost of living instead of so much all the time. The difference, for instance, under the old formula it would have been \$11.75 right now, this is what they would be paying as of April 1. As of April 1 they are now paying \$11.35. Of course, there were three months where it would have been \$11.25 and it was \$10.75, so there is a difference.

At no time was it said that everything will be paid for. There is a certain amount of money there especially where they were given all the services. I do agree that they're the lucky ones, in a way, there's a lot of people that are waiting it out and they should be paying part of it. We intend to keep on. It's just that it will not be automatic, it will not be raised and pensions will not be married to the increase. What we'll be looking at is the consumer price index.

**MR. SHERMAN:** Mr. Chairman, it seems to me that one of the biggest problems in this field is faced by the elderly pensioner couple when one of them is in a personal care home and the other is trying to maintain a private domicile because of the formula for the old age pension, OAS.

**MR. DESJARDINS:** I wonder if the member would allow me this explanation, it might save a lot of time. I know what he's going to say, I felt exactly the same and to my surprise I started writing the Federal Government and so on, and the situation is not what I thought and what, obviously, the former Minister thought. These people qualify if they are one in a personal care home and the other outside the personal care home, or even if the two of them are in a personal care home where they pay the same rate. They qualify as singles providing they apply. This is something we found out by accident. That was the biggest concern of mine; now it is no longer a concern because we know now that they feel two can live cheaper than one if they maintain two different homes, or if they're both in a personal care home all

that is needed is an application and they are considered as single as far as the Federal Government is concerned — not the pension — that's the supplement, I think, and the supplement for the province, I don't know why it's more when you're double. Mind you it's not a heck of a lot; it's a small amount but it's more when they're double, it's the reverse. Right now, they would be treated as two singles and in fact, if one is under 65, let's say the one is under 65 but if they qualify for any assistance because there's no other revenue at all, they would qualify also the same. It would be the same thing; it would be like two singles.

I apologize for butting in, but it was so clear what the member was going to say because I felt the same thing, so I hope he doesn't feel that I took him off the subject.

**MR. SHERMAN:** No, I am pleased the Minister did, Mr. Chairman. That's very revealing if that's the case because certainly we operated under the incorrect impression that because of the way the Old Age Security system was set up, married pensioners got less than single pensioners and it worked a very grave hardship on the spouse who was not in the personal care home, if she was at home or he was at home trying to maintain the little family home.

Is the Minister telling me that has been changed by deliberate action of the Federal Government or was that always the case? Were Provincial Governments unaware of it because I wasn't the only one under that impression? My counterparts who were Provincial Health Ministers of the day were also under that impression. Is the Minister saying that this has always been the case or is it just something the Federal Government has recognized and now changed?

**MR. DESJARDINS:** Mr. Chairman, I think it was just we, the staff, and the government, by accident and asking questions, we found out. I don't think there's a change. I don't think they were doing a very good job of letting the people know. Obviously they must have known but as soon as they were confronted with that they agreed that this was the case and there shouldn't be any trouble. In fact, I received a letter from the local person at the pension thing, I'll dig it out and get a copy sent to my honourable friend. I think he would like to have that information.

**MR. SHERMAN:** I'm very pleased to hear that, Mr. Chairman. As I say it's very revealing and it's very good news. I trust those married pensioner couples who found themselves in this position have been so advised, either by the Federal Government or by the Provincial Government.

**MR. DESJARDINS:** I've asked the Commission and I'm told that approximately two weeks ago the Commission wrote to all the personal care homes and also they asked the personal care home to direct the personal care home to inform every single resident of their home and report back to us. We haven't had any reply. I'm curious to see how many did not take advantage of that, if any.

**MR. SHERMAN:** That's excellent, Mr. Chairman. I'm very pleased to hear that.

Mr. Chairman, we talked about enriched elderly persons housing but I also wanted to ask the Minister about adult day care attached to personal care homes. Between the two governments, the Schreyer government and the Lyon government, we had an Adult Day Care Program in place attached to a number of personal care homes. There were a few in the City of Winnipeg, but basically they were in rural communities, and I think we had the total up to about 30 by the time the last government left office. Where do we stand on these programs?

**MR. DESJARDINS:** Yes, Mr. Chairman, I think this was a program that was kind of a pilot project before '77 and I think that program was expanded in the last four years and it is our intention to keep on. We feel it's a very good program, that with the Respite Care Program, I think it's related; it does some of the same work. We are looking at it. I think we're going to have to look at probably the possibility of doing something for transportation. I know that prior to '77 I didn't think it was a problem and I think the former Minister will agree that was one of the problems.

This is one of the things we're looking at in the construction of any new personal care homes, that we would look at the possibility that these will be done in personal homes. We're discussing it with the Gerontologist in Brandon. I think he has a concern because they would like to see a free-standing unit. This is not our policy; we want to look at that but we will look at his suggestions also.

I also think we can't impose it on people in personal care homes. I think they have to be dedicated and they have to want it because the program would not be very good if it was felt that it was imposed on them and some of them are having trouble buying it at this time, I'm told, especially in the area of Brandon, so we're working with them in that area and we think it's a very very good program. We would hope that eventually all personal care homes, or most of them, the larger ones anyway, would have that type of program.

I think it gives time to the family, to maybe the woman that's, let's say, keeping her father, at least she might have a day or two a week, or an afternoon or two a week where she could rest or do a bit of shopping because she knows that he'll be in good hands. Another thing, if she's alone, let's say with a fairly heavy person, that is difficult to give a proper bath and so on. The equipment is there; that is done in certain personal care homes. In certain places that is done during their stay and then, of course, they get the company of people their age and some of the well elderly and I think they enjoy it very much, so we endorse that program without any hesitation.

The amount expended in 1980-81, that will give you an idea, was \$63,000.00. The amount approved in '81-82 was \$345,000, although I see expanded by the Manitoba Health Service Commission, April, 1981 to January, 1982, I think the approved was \$345,000 but there was only \$161,000 spent. That might be because of, I would suspect, that some of the personal care homes weren't ready to go ahead with the construction. So there were 26 programs from July to September, '81, taking care of 335 patients for a total days of care of 3,768 and we hope to improve that.

**MR. SHERMAN:** Mr. Chairman, during the winter of 1980-81 the previous government through the co-operation with a number of hospitals, hospital administrations, the office of continuing care, very intensive work by the Health Services Commission, Medical Chiefs of Staff at various hospitals and other individuals, put in place a short-term program that was aimed at relieving overcrowding of acute beds in general hospitals and community hospitals and providing temporary personal care capabilities in some City of Winnipeg hospitals and also in some other facilities including Deer Lodge.

The intention was to phase those beds, in the main, out of existence and out of operation once several hundred new personal care beds came onstream in Winnipeg in the summer of 1982, as they did, with the completion of homes like the Maples and Vista Park Place, etc. Where do we stand on those temporary personal care facilities? Some existed at the Health Sciences Centre, some existed of course at Deer Lodge, some existed I think at Victoria Hospital although I may be wrong on that one, but certainly we had a number of those temporary facilities in place.

**MR. DESJARDINS:** Yes, Mr. Chairman, we hope that it will be just that temporary measure, it was just to co-ordinate, actually. I think the member is talking about, for instance, the Health Sciences Centre, you had these types of people all over the hospital and they were brought together in some kind of a ward which was classified as personal care beds. They were panelled and for all intents and purposes they were personal care beds and the idea though is eventually, as they need less beds, to phase them out. This is at the Health Sciences Centre, at Victoria Hospital and, of course, at Deer Lodge. I think Deer Lodge has been phased out and I think the Health Sciences Centre they've been reduced by about 20 beds. At Victoria there's not much change so far.

**MR. SHERMAN:** This is actually a hospital's question, Mr. Chairman, but because it's related I might as well ask it here. What is the current situation with respect to hospitals and long-stay patients, particularly patients who have been panelled for personal care. In other words, what I'm asking is what constitutes the waiting list at the present time in terms of panelled citizens of Manitoba who are waiting to get into personal care homes and who are occupying acute care hospital beds, or hospital beds that, if not acute care, at least have never been designated for personal care?

**MR. DESJARDINS:** Yes, the number of persons in hospital awaiting personal care placement, that's after they've been panelled, as of April 31, 1981 - Westman there were 148, as of January 31, 1982 there was 173; Eastman - 20, January 24; Central 55, that went down to 38 in January; Parklands 31 in April went down to 27 in January; NorMan 1 in April, 4 in January; Thompson 3 and 7 for a total rural of 308 in April 31 down to 300 in January 31; Winnipeg there were 366 in April, January 264 for a total of 674 at the end of April, 1981, down to 564 the end of January, 1982. I might have missed Interlake it was from 50 to 27.

**MR. SHERMAN:** So the waiting list in general terms is down somewhat from that which we've experienced in previous years. Are the admissions to personal care homes still being based on what I think was a temporary formula of one to one - one from hospitals for every one from the community - or have they reverted to the practice which was in place prior to our winter program of 1980-81. The prior practice, I think, was two admissions from the community for every one from a hospital. We were able to achieve great co-operation from all sources involved and had that formula changed temporarily to one to one to expedite the freeing-up of acute care beds in hospitals. What's the formula right now?

**MR. DESJARDINS:** Yes, Mr. Chairman, I think that was needed at the time because of the need of acute beds. I think we agreed that must have been a success because there was a decline of people occupying these beds and now, I think the best formula of all, everything else being equal, it is based on need. I say the best formula because I'm a little concerned that some people might try and have a short-cut maybe get their physician or doctor to admit them into the hospital and then figure that they get a preference and that's not fair for people who are following the rule that are waiting for patiently in a community and feel that they're punished because of that. Now we're trying as much as possible to look at need. The need is not just necessarily just medical need, I think it's medical need and the social need or the situation to see if anybody could be taking care of them, of course, and to see if we could take care of them through home care, but the total package is need and that's the first choice.

**MR. SHERMAN:** Can the Minister advise the Committee, Mr. Chairman, what the overall waiting list for personal care beds is right now? He provided me with figures that I appreciate having. I believe his answer was given in the context of my question which was a question about the waiting list insofar as panelled persons are concerned, persons who were panelled for personal care, but about the overall waiting list for personal care. I don't need it region by region but Rural Manitoba and City of Winnipeg, would he have those figures?

**MR. DESJARDINS:** Yes, I have. Would the member like the different levels or just three and four.

**MR. SHERMAN:** Just three and four would be fine.

**MR. DESJARDINS:** Three and four. The total rural in the community is 55, now occupied beds in the hospital 114; Winnipeg is 29 and 121. The community 84 and hospital 235 but the total waiting list for rural and Winnipeg counted at the different levels is 1,355.

**MR. SHERMAN:** Total 1,355?

**MR. DESJARDINS:** That's the total, all the different levels, rural and Winnipeg.

**MR. SHERMAN:** Thank you. What's the average per diem cost of a personal care bed in Manitoba today,

Mr. Chairman?

**MR. DESJARDINS:** Mr. Chairman, I wonder if the Member for Fort Garry would have another question or two while we're looking this thing up not to delay the Committee.

**MR. SHERMAN:** Certainly, Mr. Chairman. The Minister has, in earlier remarks before the Committee, placed some emphasis on areas that he has described as being overbedded and I was wondering whether he was referring to hospital beds when he used the term 'overbedded.'

I'd also like to ask him whether his officials would be able to advise him and the Committee as to how many hospital beds in rural Manitoba are being used and staffed right now as personal care beds. I know from personal experience that a great many rural hospitals have a relatively low occupancy rate and I know the Minister knows that. The occupancy rate can often run around the 50 to 55 to 60 percent mark. So there are beds in those hospitals that are available and are usable. That doesn't necessarily suggest that they are usable as personal care beds, obviously but sometimes some of them are usable as personal care beds. I wonder if the Minister could advise the Committee how many hospital beds in rural Manitoba are being used and staffed as personal care beds? There are approximately, I think, 2,000 rural hospital beds in Manitoba. I may be out a little bit on that figure but approximately.

If you take the 5,700 hospital beds in the province and subtract the numbers of hospital beds in Winnipeg, Brandon, Thompson, Dauphin and Portage la Prairie you wind up with approximately 2,000 beds in rural hospitals. If you've got, let's say, a 60-percent occupancy on average, Mr. Chairman, you're looking at 1,200 of those beds filled and 800 of them unfilled in terms of acute care patients. How many of those approximate 800 beds are being used and staffed as personal care beds, any significant number?

**MR. DESJARDINS:** Mr. Chairman, when we were talking about overbedded, I think that I used that term mostly when we were talking for personal care beds. If the members of the Committee remember I had these charts and when we first came in I had the first overlay and that was acute bed and I think I showed that every single one but three were overbedded in the acute care beds in the rural areas. So in other words they're all overbedded. Now when I'm talking about Manitou and Steinbach I was referring to personal care beds.

The other question as per how many beds are being staffed and used as personal care beds in these hospitals, I'll try to get the figure of how many beds are being used. I think I answered that. This time it's 300. I answered that, but not staff. I think that's very important. You need a basic staff, minimum staff, and that is not really a problem. You'll always be overbedded in the acute bed hospital. In fact, that might be a good thing, it will use the same staff probably because of the acute beds. You need a certain staff providing there's not too many of them in each hospital. The same staff could probably take care of it.

It's occupying a bed and you can't say well, acute beds are so much per diem rate so, therefore, you're

wasting money. The member knows what I'm saying, that this is not a problem. In fact, it might be an advantage in many instances because you've got the same staff and you're preparing the same meals and that's what might be a good thing. It serves as a cushion, as a leeway in there. I'm told there's about 300 in all rural Manitoba, but not staffed just classified as personal care beds where the province actually gets a revenue because they have been paneled as a personal care bed. They have to pay the per diem rate.

Now, the average per diem, I'm told in 1982-83 will be - that's personal care beds - that's the lowest level, the basic is \$38.85. I'm using now what we used for the proprietary nursing home, because as the honourable member knows, it's the median rate that we use. Now, of course, that's the start and then depending on the extended care, minimum paid hours of care, like two hours, the median will be \$40.75; 2.25 hours, \$42.75; 2.5 hours, \$44.95; 2.75 hours, \$47.10; 3 hours, \$49.25; 3.25 hours, \$51.40; 3.5 hours, \$53.55. But, the basic median rate is \$38.85.

**MR. SHERMAN:** And it ranges up to \$53.55? That's Level 4.

**MR. DESJARDINS:** That's the \$38.85 was personal care and the \$53.55, the maximum, that's for extended care depending on the hours of minimum paid hours of care and that's with 3.5 hours.

**MR. SHERMAN:** Well, I'm just not clear on the \$38.85 that the Minister gave me first, Mr. Chairman, when he says that's the basic median. Is \$38.85 the Level 2 per diem?

**MR. DESJARDINS:** The median I think, of 1, 2 and 3 - Level 3? Level 2, and the other depending on the hours needed is what I read after that.

**MR. SHERMAN:** So, the average per diem really is approximately half way between \$38.85 and \$53.55, right?

**MR. DESJARDINS:** For Level 3, yes.

**MR. SHERMAN:** Well, of these 8,100 personal care beds that we're looking at that are in place and operating in the province right now . . .

**MR. DESJARDINS:** Approximately 1,500 hostels.

**MR. SHERMAN:** Oh yes, approximately 1,500 hostels but if you subtract the 1,500 from the 8,100 and you wind up with - because 1,500 are hospital beds - so, take the other 6,600, how would they break down as between Level 2, Level 3 and Level 4? How would they break down as between medium care and heavy care, pretty well 50-50?

**MR. DESJARDINS:** I'm sorry, Mr. Chairman, that information is not available.

**MR. SHERMAN:** Mr. Chairman, is there any intention on the part of the government to go out and look at certain rural hospitals in certain parts of Manitoba, with a view to evaluating their occupancy rate and

possibly officially converting and reclassifying some of their beds as personal care or extended care beds? I know that it happens right now by osmosis. What I'm asking is whether there's any intention to reclassify and convert those beds officially?

**MR. DESJARDINS:** Mr. Chairman, the information that I have that is this would not be practical. If you were just converting bed space, yes. But, with the programming and the facilities it would be very difficult to do. I think you'd practically have to construct a new building. If you were just dealing about the bed space itself, but it's not the same thing with people who might spend the rest of their life in a personal care home and spend a few days in an acute bed. It's very difficult I'm told.

**MR. SHERMAN:** Mr. Chairman, I'm sorry I missed one question I wanted to ask the Minister when we were talking about adult day care and, indeed, elderly person's housing. I would like to ask him now what the status is of the Stonewall Personal Care Home, Rosewood Lodge in Stonewall. The locality had made the decision and had made application through the MHRC for construction of a 30-bed elderly person's housing unit in the community and it was to be juxtaposed to the existing personal care home and the Board of the home itself had requested inclusion of a physiotherapy area and additional space for adult day care.

These were two issues that were in front of the previous government and I must confess that once the election campaign got under way, Mr. Chairman, that unless Mr. Edwards acted on them at the Commission, which he may well have done, I lost touch with the progress of those two applications. Can the Minister tell me where the Rosewood Lodge and the request from Stonewall stand at the present time?

**MR. DESJARDINS:** Mr. Chairman, it's not the personal care home, they're going ahead with a senior citizen home. It's not insured but the Commission has approved the activity space for programs, as mentioned, such as day care for the elderly and other activities and that has been approved. It's under construction at the moment.

**MR. SHERMAN:** So that is going ahead, good. Mr. Chairman, the requested appropriation for the Personal Care Home Program, 1982-83 in the Estimates is \$124,269,000.00. That, Sir, is 29 percent greater than the requested appropriation as it appears in print for '81-82. That figure shows in the Estimate's book at \$97 million, so we're looking at an increase there of approximately \$27 million or 29 percent. That is the general cost increase but can the Minister advise the Committee, Sir, what the increase is in the operating budget this year for personal care homes?

**MR. DESJARDINS:** The increase is \$27.219 million. I can break that down. Would you like the . . .

**MR. SHERMAN:** That's the operating increase. The increase in the operating budget?

**MR. DESJARDINS:** Yes, the general cost increase is \$24.287, residential charges, there will be a revenue of

\$3.737, uninsured resident income, \$28,000, annualization, \$4.507 million, existing facility fixed cost, that's the interest, \$115.3 thousand, new facilities, \$2.075 million for a total of \$27,219,000.00.

**MR. SHERMAN:** That's the annualized costs of the new facilities that have come on stream or will be coming on stream. What is the increase in the operating budget for the personal care homes as such? I didn't copy them all done but the Minister's recounted a fair number of dollars there. We got a general increase of \$27 million and if you take all those costs that the Minister has mentioned out of there we should wind up with an operating budget.

**MR. DESJARDINS:** Mr. Chairman, the actual administration, general cost increase, was an increase of \$24.287 million. Broken down, proprietary nursing home, there's 14.7 percent of gross cost for \$6.025 million and there was an overexpenditure last year of \$926,000, so there's an increase of \$6.951 million. Non-proprietary, 14.7 percent of gross, that's \$13.28 million and the overexpenditure was \$3,252,000 for a total of \$16.460 million. The drug program was price increase 13 percent, or \$354.6 thousand and the overexpenditure is \$470,000 for a total of \$8.246 million. The adult day care, we're asking for 14.7 percent rate increase or \$50.7 thousand for a total of \$24,287,200.00. Now the funds to cover the '81-82 overexpenditure of \$4.6 million we're providing a Supplementary Supply request of \$44.3 million in the Order-in-Council passed on February 17th.

**MR. SHERMAN:** Could I just ask the Minister, Mr. Chairman, for confirmation on that the operating budget for proprietary homes is up 14.4 percent and the operating budget for non-prop homes is up 14. what percent?

**MR. DESJARDINS:** Same thing.

**MR. SHERMAN:** Same thing, 14.7 percent and the operating budget for adult day care is up 14.7 percent.

**MR. DESJARDINS:** Except the drug program, which is up 13 percent.

**MR. SHERMAN:** Thank you. Have those budgets been struck, have they been set or are you still in budget negotiations?

**MR. DESJARDINS:** I'm told that the custom is that the initial rate has gone up but there are negotiations going on and that will go on for a few months yet. All contracts have not been negotiated.

**MR. SHERMAN:** Are there any significant numbers of personal care homes which show a deficit for 1981-82?

**MR. DESJARDINS:** I am told that so far, with the information that we have, the total of all the province is somewhere less than a million dollars.

**MR. SHERMAN:** I think that's all the questions I have on the Personal Care Home Program. I want to thank the Committee and the Minister for permitting me to

explore those.

**MR. CHAIRMAN:** Personal Care Home Program—pass. Item No. 6, Hospital Program.

**MR. SHERMAN:** Well, Mr. Chairman, I'd be inclined I think to pick up on hospitals where I left off on personal care homes and ask the Minister for the details of that budgetary increase.

The print appropriation requested is \$496 million, approximately, as against \$395 million, which is an increase of approximately \$100 million, which is an increase of approximately 25 percent. Now that's the overall general increase in the request with which the Minister is coming forward to the Committee and the House.

What I would like to ask him at this juncture is, what is the operating budget increase in the hospital field?

**MR. DESJARDINS:** Mr. Chairman, as of March 31st, 1982, there will be 6,870 beds; 5,823 acute; 1,047 extended, included in the program. It is anticipated there will be 6,965 beds; 5,838 acute and 1,127 extended in the program by the 31st of March, 1983.

Now this includes the following, and I'll give you the comparison: voted in '81-'82 budget facilities \$361.7 million; voted this year, \$456.057 million or an increase of \$94.3 million. The Manitoba Health Service Commission diagnostic unit last year, \$8.896 million; this year, \$9.880 million or \$984,400 increase; Cadham Lab, last year \$3.176 million; this year, \$3.649 million or an increase of \$473,800; non-budget facilities, \$21.209 million, this year \$26,371.1 million for a total of \$5.163 million, so the increase is \$100.946 million or \$101 million.

Now the non-budget facilities, the federal voted last year, \$8.072 million, this year \$9.394 million for an increase of \$1.322 million; out-of-province, \$6.417 million, this year, \$8.171 million for an increase of \$1.754 million; contract Westman, \$3.174 million, this year, \$4.228 million for an increase of \$1.054 million; Red Cross, \$3.546 million, this year, \$4.578 million, an increase of \$1.327 million and that gives you that \$5.163 million that I talked about.

The increase in programs now, the general cost increase was \$79.311 million; increase in residential authorized, there's no increase, that would be the revenue; on annualization of new and expanded programs and new borrowing approved in '81-'82 was \$1.087 million. I can give you the details of that later. Annualization of new and expanded facilities coming onstream in '81-'82, \$6.429 million; program transferred to medical costs, the EKG interpretation, it is \$177,500; adjustment to fixed costs re increased interest rates for existing facilities, \$1.631 million; operating costs of renewal or renovated facilities opening in '82-'83, \$9.029 million; principal and interest on new approved borrowing, \$1.482.8 million, increase in outright equipment purchased, \$303,000 plus the diagnostic units, \$346,000 plus \$13,000 for Cadham Lab and then a budget facility of \$220,000, so that makes \$882,000; expansion of insured services, \$1.205 million; additional staff man years, Cadham Lab, \$91,400; the diagnostic unit, Cadham Lab, \$11,400 or \$102,800.00. Now the total then is, budget facilities, \$94.325 million; MHSC diagnostic unit, \$984,400;

Cadham Lab, \$473,800; non-budget facilities, \$5,163.1 million and the total as I stated, \$101 million.

**MR. SHERMAN:** I appreciate that information, Mr. Chairman, and I took down notes of what I wanted on it.

Can the Minister provide the Committee with a percentage figure for the increase in the operating budgets of hospitals in Manitoba for '82-83? Does he have a percentage figure for the increase in '82-83 in the general hospital operating budget?

**MR. DESJARDINS:** The percentage would be 14.7 percent of operating costs or \$53.290 million. There's also the overexpenditure of \$20 million in '82-83 and there were the — oh yes, excuse me — the overexpenditure was \$21.51 million, less nonrecurring expenses which was a revenue of \$4.647 million for a net overexpenditure to include a deficit of \$20 million and adding the \$53.290 million which is 14.7 percent is an increase of \$73.194 million.

Now, there's also some overexpenditure in the diagnostic unit of the Manitoba Health Services Commission. There were salaries and benefits 272; supply costs, nonprovision for rate increase, 122.6; supply cost increase 303; so a total for the Diagnostic unit of 724.5. The Cadham Lab the same thing again, overexpenditures, salaries and benefits, \$93,000; overexpenditure supply costs, \$167,400; no provision for rate increase, 28.5; and supply cost increase 160, for a total of 449.4.

Nonbudget facilities, net overexpenditure, out-of-province 487.7; and contract Westman, 219.8; Red Cross, 447.2, for a total of these two of 647; and the total for nonbudget facilities of 1,132.7 million. The 1982-83 price increase 14.7 percent; federal, 1.322 million; out-of-province, 1.268 million; contract WestMan, 614.2; Red Cross 605.5, for a sub-total of 1.219 million, and the total for the nonbudget facilities of 4.943 million, for a grand total then of the Hospital Program increase of 79,311.4 million.

**MR. SHERMAN:** On that Operating Budget increase of 14.7 percent for hospitals, Mr. Chairman, is that an across-the-board increase? I assume it's not, but I would like to ask the question anyway.

**MR. DESJARDINS:** No, Mr. Chairman, that's what we arrived at as an average. A lot depends on the labour contracts at different hospitals and so on. This is what we're proving now an increase average, let's say, but every hospital will be looked at depending on the salaries also, which is the main factor.

**MR. SHERMAN:** Some hospitals may, in fact, get 11 or 12 percent and some may 16 or 17 percent. Have any budgets been struck with any hospitals yet?

**MR. DESJARDINS:** Most of the initial proposals have been mailed. Of course that's just the initial proposal and you have to worry about, and most of them are negotiating with salaries right now.

**MR. SHERMAN:** Does this budgetary increase include — I presume it would — a projected wage settlement with the support service workers who belong to Can-

adian Union of Public Employees?

**MR. DESJARDINS:** Yes, but I'm sure the members of Committee would realize this is just a guesstimate and I hope I'm not going to be asked to break that down because I don't think that would be wise at this time.

**MR. SHERMAN:** Is the hospital system into active negotiations with CUPE yet on a new contract?

**MR. DESJARDINS:** Yes they are, Mr. Chairman.

**MR. SHERMAN:** Mr. Chairman, can the Minister advise the Committee as to the situation with respect to hospital deficits? Are there a significant number of hospitals in Manitoba who have reported — to the extent that they're in a position by this date to report, and I recognize that that's somewhat speculative — up to this point in time that they'll be in a deficit position for 1981-82?

**MR. DESJARDINS:** Mr. Chairman, it's an approximate round figure of \$7 million, not saying we're committed to pick this thing up. This is the deficit for 1981-82; we're reviewing it. And no, we will not pick up anything for the cardiac unit at the Health Sciences Centre.

**MR. SHERMAN:** Presuming that approximate figure of \$7 million would be largely or perhaps even very largely attributed to perhaps four or five hospitals only, out of the 85 hospitals in the province?

**MR. DESJARDINS:** Yes, the member is absolutely right, it is mostly the larger hospitals in the city. It's seven or eight but when you look at the patient care it's more than just that same proportion and I think that Brandon is in a deficit position this year also, that's one of the larger ones.

**MR. SHERMAN:** Mr. Chairman, the Minister in his first response to my first question detailed some changes in the number of hospital bed totals in the province which I didn't get precisely, but I know that when the previous government took office we were looking at a total of, I think, 5,700, not counting extended care beds. I think we were looking at approximately 5,700 medical and surgical obstetrical beds and there were about 1,000 or 1,007 extended care beds. The Minister mentioned a figure quite different from 5,700.

**MR. DESJARDINS:** The information that I have has been changed, I don't know if it's beds coming onstream. There's been a correction in my book here, I say this because the member referred to 5,792 — I think is probably the figure he had — this has been changed to 5,823.

**MR. SHERMAN:** 5,823?

**MR. DESJARDINS:** 5,823 by the end of March, 1982 and we expect that the new program the end of March 1983 should be — again I exclude the extended beds — 5,838. I'll try to give more information at this time.



The actual active treatment beds at the end of March 1981 was 5,749.

**MR. SHERMAN:** That was the end of March, 1981?

**MR. DESJARDINS:** Now, the changes in 1981-82, Rehabilitation Centre for Children revision there were minus 5 beds; St. Claude minus 3 beds; Rivers minus 4 beds; Winnipegosis minus 4 beds; Seven Oaks plus 90, or a total of plus 74. Therefore, the rated beds as of March 31, 1982 was 5,823 and then further changes during 1982-83 minus 2 beds in Selkirk; plus 3 beds in Ste. Anne; minus 5 beds in Carman; minus 7 beds in Rosburn; minus 4 beds in MacGregor, and another plus 30 beds in Seven Oaks, for a net plus of 15. So rated beds for 1982-83 estimated submission as of March 31, 1983 is 5,838.

Extended treatment beds actual at March 31, 1981 was 1,017; changes during 1981-82, Seven Oaks plus 30; that made it 1,047; and changes during 1982-83 Seven Oaks again another 80; rated beds 1982-83 estimated submission at March 31, 1983 is 1,127.

**MR. SHERMAN:** 1,127?

**MR. DESJARDINS:** Right. That's the extended treatment bed.

**MR. SHERMAN:** Can the Minister advise whether there have been any — he didn't mention it but I'd just like to confirm for the record — whether there have been any changes in bed totals or configurations at the Health Sciences Centre from a year ago, other than the conversion of some 63 beds to personal care?

**MR. DESJARDINS:** No, it was only these personal care beds. But those have been reduced so there's just empty beds, there's about 20 empty beds.

**MR. SHERMAN:** What would be the rated bed capacity at the Health Sciences Centre right now, Mr. Chairman?

**MR. DESJARDINS:** I'm told that it's pretty well what we were aiming for, it's about 1,125.

**MR. SHERMAN:** That would indicate that there has been general adherence to the original concept of taking approximately 140 beds out of the Health Sciences Centre at the time that Seven Oaks came onstream. Is that a correct assumption to make or are there still some beds to come out of the Health Sciences Centre?

**MR. DESJARDINS:** Yes, it would be very close to that. It was first recommended — I don't know if it was exactly the same thing — but that direction by the Clarkson-Vayda Report and then in the final recommendation, that's what the case is now.

**MR. SHERMAN:** The Minister gave me some figures on Seven Oaks relative to the question that I'd asked him about total rated active treatment bed capacity, Mr. Chairman, but I would like to ask him also what the status is of Seven Oaks at the present time. How

many beds are open and staffed at Seven Oaks and in what categories? Do we have 20 or 30 or 40 psychiatric beds open at Seven Oaks? Has that changed? Could he just review for me what the intention is in '82-83 with respect to additional phasing in of beds at Seven Oaks? Where are we in terms of Seven Oaks, specifically, independent of the overall bed capacities that he gave me?

**MR. DESJARDINS:** I can give the committee pretty accurate information. This was as to April 26, '82, so that's fairly recently. I think I'll give him how we expect to bring them in on stream, to have the total. The beds open as April 26, '82 is 184. We anticipate to phase 12 more in June, '82; another 30 in September or October, '82; another 110 in January or February, '83 for the total of 336.

Now, I'll break this down. The intensive care, there's 4; 2 more to be phased in June, '82 for a total of 6; Medical, 40; 10 to be phased in September or October, '82, another 20 in January of '83, then we'd have a total of 70; Surgical, 50, 10 more in June, '82, 30 more in January or February of '83 for a total of 90; Obstetrical, 10, there's no change; Gynecology, 20, no change; Psychiatry, 20, no change.

**MR. SHERMAN:** Psychiatry 20? Now?

**MR. DESJARDINS:** Yes. Yes and no change. Geriatric, 40, 20 more in September or October, '82, 60 more in January or February, '83 for a total of 120. That makes the 336 by February or so of 1983.

**MR. SHERMAN:** How is Seven Oaks progressing, Mr. Chairman, with respect to staffing, particularly nursing staff? Any difficulties in acquiring the necessary staff and is there any fallout in terms of hardship for other community hospitals in Winnipeg?

**MR. DESJARDINS:** Mr. Chairman, the member touched on the reason why the beds are being phased in over a period of the next year or so. It's to recruit without disturbing the components and the staff in other hospitals. I'm told that so far this is being accomplished. We'll be watching that very carefully so we don't rob from one to get the proper staff at Seven Oaks.

**MR. CHAIRMAN:** The hour being 5:30 p.m., I'm leaving the Chair and will return at 8:00 p.m.  
Committee rise