

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Monday, April 24, 1967

MR. SPEAKER: Before we commence the evening's proceedings, I wonder if I could have a moment to inform the House of something that I feel should be done. Observations - and I might say without singling out anyone - during recent days, compels me to remind the honourable members once more that reading of speeches is strictly against the rules of the House. Having said that, I'd like to quote our rule in that connection, namely, 29: "A member addressing the House shall not read from a written, previously prepared speech." I realize that notes are important and essential. However, I look forward to some improvement and I feel that I can count on every one of the honourable members to co-operate.

Added to this, I want to assure the House that it is no pleasure for me to interrupt honourable members in the midst of their speeches. It occurs to me that from time to time, and I'm sure inadvertently, honourable members tend to spend considerable time discussing matters entirely divorced from the subject at hand, and in this regard I would like to quote our Rule No. 30 in part: "Speeches shall be direct to the question under consideration."

I thank the honourable members for their kind attention and ask sincerely that they make every endeavour to abide by these two rules, thus assisting me in handling the business of the House in a manner befitting the Assembly. I can assure the honourable gentlemen that if I have to interrupt, I will interrupt, but I hope that I don't have to for the remainder of the session.

I believe we were dealing with Bill 68 at the time we adjourned. The Honourable Minister of Health.

MR. T. P. HILLHOUSE, Q.C. (Selkirk): Is the Honourable Minister closing the debate?

MR. SPEAKER: The Honourable Member for Selkirk.

MR. HILLHOUSE: Mr. Speaker, I'll try and abide by the rules of the House and be not only direct but very short.

First of all, I'd like to compliment the Honourable Minister of Education for his sincerity and frankness in truly stating to this House his own opinions on this bill. I share these opinions and I appreciate the fact that as a Cabinet Minister he has to abide by what is known as Cabinet solidarity and for that reason he must support the government bills.

There's one thing, Mr. Speaker, that rather amazes me here and that is this, that this is a government bill but everybody that's spoken so far has been excusing themselves for having to support it, and most of --(Interjection)-- I've been on the other side - and most of the members over there have blamed it on Ottawa. Well now, Mr. Speaker, I don't think Ottawa twisted their arm and I think that they have brought this in - maybe it's the best deal they can make with Ottawa - but they must assume the responsibility for having brought it in and I don't think they can blame that on Ottawa.

Now as far as I'm concerned, Mr. Speaker, I would like to see the best possible bill at the least possible cost, and I don't think that under present circumstances we're going to get that. I don't think that Manitoba is ready at this time for Medicare and I agree with the Honourable Member for Turtle Mountain when he expresses concern over the plight of the rural doctor, because if Medicare does come in without the necessary clinics in rural Manitoba where patients can be treated, I fear that there's going to be an influx of the rural doctors into the large medical centres.

Now I know that it has been expressed in this House by one or two members that there are going to be problems attendant on the introduction of this legislation, but regardless of these problems, we should fall into this scheme willy-nilly. I don't share that view, Mr. Speaker. I was in this House when the MHSP plan was launched and I know the problems that the present Minister of Education had as Minister of Health at that time. Manitoba was not ready for that plan at that time, and even today we haven't got the hospital beds to take care of our patients. Now what is the situation going to be if we go into a Medicare scheme? Because there's one thing about human nature, if an individual is covered, that individual wants treatment. That is the situation with respect of the MHSP and that situation is going to be considerably increased if we introduce a Medicare scheme.

So my feeling in the matter, Mr. Speaker, is that I think we should go easy on this bill. It's true that the House will pass it, but I believe there is going to be a conference between Ottawa and the various provincial Ministers of Health between now and July of 1968 and I think that we should do everything in our power to see if we cannot work out a more acceptable bill. After all, Mr. Speaker, in Manitoba today, about 72 percent of our people are covered by some

(MR. HILLHOUSE cont'd). . . . form of Medicare scheme. There are a number of people who unfortunately have to accept social allowance. These people are also covered. Now there's only a very small percentage of our population that is not covered either under social allowance or under some voluntary scheme.

Now it may be that some of those people who are not covered are staying out as a matter of - it's their own wish; they don't want to join. There may be others who are kept out by reason of economic circumstances, and I feel very strongly that in the interval, rather than proclaiming this bill, that what we should do is try and introduce some type of catastrophic insurance in this province so that any individual who is not covered by social allowance, who is not covered by a voluntary medicare scheme or medical scheme, and who has not the means whereby to obtain the necessary medical attention, I think that special provision could be made in the meantime to deal with that individual as an emergency until such time as Manitoba is ready for the introduction of this scheme. We've got to have the necessary facilities in rural Manitoba if we want to keep our doctors there, and we've got to have the doctors necessary to properly service this scheme. Now we are lacking in both of these ingredients at this time and I would urge the government to be cautious and go very carefully before they launch themselves into a scheme from which they will be unable to extricate themselves.

It has been said that the cost of this scheme in Manitoba will be in the neighbourhood of \$35 million, of which \$17 million will be put up by the Federal Government, but we have no assurance from the Federal Government how long they will make a contribution under this scheme and I think we should be pretty certain of what this thing is going to cost us before we jump into it.

MR. SPEAKER: I see a newspaper being read. I wonder if it might be put away. The Honourable Member for Souris-Lansdowne.

MR. M. E. McKELLAR (Souris-Lansdowne): Paper? Oh yes. I thought you said that I had a newspaper and I couldn't see it.

Mr. Speaker, I'd like to say a few words on this Medicare bill that we're now dealing with, and I must say that I've enjoyed the speeches that we've had before the dinner hour and the one we just heard because it's the best reason I've ever heard for not going ahead with this Medicare bill and we've heard numerous reasons - we should go slow and so on. I only wish our brothers in Ottawa who are handling the affairs of the government would have only took this advice a few years ago before they went ahead with it.

I think the Honourable Member for Selkirk made a statement that Manitoba should go slow. I doubt very much if we'll be ready for this plan five or 10 years from now because in the rural areas, as he mentioned, we have a serious problem. In my area -- I don't know whether this \$7200 - if it's ever going to be passed - I don't know whether it's going to compensate me for the troubles I'm going to have over Medicare, and I just want to illustrate the problems that I'm going to have. A third of the area which I represent has a health unit; the other two-thirds doesn't even have a health unit, and half the area I serve is only served by a one doctor clinic - one doctor like in Glenboro and Wawanesa - and you can see the impossibility of trying to give medical service on an HCX plan which we're talking about to the people of these various areas. It's all right for the people of the City of Winnipeg here to proclaim and say that we in this Province of Manitoba need Medicare because they're not going to change one little bit. You can go to the Winnipeg Clinic and get HCX care, or the Manitoba Clinic or Medical Arts and get the same coverage as what we're talking about here, the HCX plan, but I'll defy anybody to go to Wawanesa or go to Glenboro and get HCX coverage. And I'm telling you, if you don't think the Member for Souris-Lansdowne is going to be busy after the 1st of July, 1968, you'll have another think coming because I'll be so happy to get out on that tractor and get two miles away from a telephone, it won't even be funny. So this is some of the problems that we are going to have in the rural areas, and I only hope the Minister of Health can do away with his telephone too because he's going to be a busy man along with the rest of us in the rural areas.

As I said before, it will take some time to work out this and I only wish that the Federal Government would have told us that they would give us this \$17 million with no holds barred. But they set down the rules and this is what the decision is here tonight. Are we going to accept this \$17 million on July 1, 1968 and come under their rules, or are we not going to take this \$17 million and go under our own rules? You can't have it both ways, so this is what we are voting on here tonight, and I can assure you \$17 million won't go very far a year after this plan comes into force; it will pay at least about 30% of the total cost, and I am afraid that if the

(MR. McKELLAR cont'd)... Federal Government decide - and if they are still in power in 1972 or 1973 down there - the Liberal Party at Ottawa are still in power and they throw this plan back on our doorstep, then do you think we haven't got troubles. We are really going to have troubles. We are going to have to have more than 30 bushels to the acre of wheat I can assure you of that to pay for this.

These are some of the problems that I think -- my suggestion of a good plan would have taken care of all the medical bills while you were a patient in every hospital, and I only wish this plan would have been devised rather than the HCX plan because this is the type of care which they can give all over Manitoba without any inconvenience, but you cannot give the HCX plan in most parts of the province. The health units plan will have to be also taken into consideration. It will involve the health units with the medical doctors, because in the town of Souris we have a problem there too. The health units run the X-ray machines, the medical doctors send their patients to the health units to be X-rayed and diagnosed, they in turn get their readings back and they treat the patients as such.

If it comes to the point where they have to provide their own X-Ray machines, it will be very costly and a decision that they will have to make on their own, among the doctors, among the two clinics that are in the town of Souris; and Wawanesa and Glenboro, the serious problem will still exist because they only have one doctor and it would be practically an impossibility. If the people are willing to go along with this plan devised by the Federal Government, that's fine and dandy; if they kick up a fuss with the MLA's in the Province of Manitoba, we will have to look after their complaints. So once again I sympathize with the Minister of Health and I only hope that some revision of the plan that's now before us will come about before July 1, 1968.

MR. CHERNIACK: Would the honourable member permit a question, Mr. Speaker? I would like to know if from what the honourable member says that his area in Souris-Lansdowne is not now adequately served by doctors.

MR. McKELLAR: It is up to a point, but not under an HCX plan - No. They don't have X-ray machines, the doctors don't. They have them in the hospitals, they have to work in conjunction with the hospital plan. This is the way they work, and also in Souris they have it with the Health Unit, this is the way they work but they don't operate like the Winnipeg Clinic and the Manitoba Clinic do where they have their own X-ray machines right in their own building.

MR. CHERNIACK: I would like to ask, if I may, a supplementary question, Mr. Speaker. But there is the available facilities of X-ray and other of the HCX in the hospitals or in the units in the area?

MR. McKELLAR: Well yes - no - but the doctors don't operate it on their own, and which plan are you going to bill it to? You are paying a premium aren't you, the same as you pay a fire premium and an automobile premium. Who are you going to charge it up to once you pay your premium? You've got to charge it up to the right plan.

MR. CHERNIACK: Right.

MR. MOLGAT: Mr. Speaker, before the Minister who is presumably supporting the bill, I'm not quite sure after hearing the speeches whether he is or not, but before he closes the debate I'd like to participate in briefly at least.

You know, Mr. Speaker, over past years it's been our privilege in the House to hear at least once a year - and it normally came from my friend the Attorney-General - a speech in which he spoke about people who needed to be dragged, kicking and screaming into the second half of the twentieth century. This was the text of his sermon on at least one occasion each session, and today if I have ever heard, Mr. Speaker, a group of speakers in this House protesting and screaming, kicking and revolting into being dragged into supporting this bill, I have never heard any finer presentation. We heard from the ex-Minister of Health this afternoon explaining every reason why he should vote against the bill, what a nefarious thing it was, but he is being forced into it. The Member for Morris gave us a similar and even more strongly worded presentation. The Member for Brandon gave a similar appeal and we've just heard from the Member for Souris-Lansdowne. Mr. Speaker, they're all against it. They're all against this bill. It makes you wonder how come the government introduced it.

Well, the explanation of course is that they don't want it; they don't believe in it; they want no part of it but they're being pushed into it. That's the main thesis behind their presentations. It seems a little different though, Mr. Speaker, than the presentation that was given to us last June. Mind you, one must be fair and say that the circumstances last June were a little different, there was an election on then, but at that time there didn't seem to be the

(MR. MOLGAT cont'd).... reluctance about a medicare plan for the Province of Manitoba. In fact as I recall it, it was announced then that the government would proceed with a medicare plan. In fact, the Premier was deeply disappointed that Ottawa had seen fit to postpone it for a year. It was a shocking thing that Ottawa was doing, Mr. Speaker, a dastardly act, proceeding to postpone this plan for a year, but the present Premier was not going to let that deter him because he was going to introduce his own provincial plan and go it alone. That was last June, Mr. Speaker, but here we are in the month of April and we hear one after another of my honourable friends across the way get up and tell us that really this is a bad plan; they want no part of it; but there's that awful Ottawa government, that handy whipping boy, that convenient escape route for my friends, forcing them into a terrible plan.

Mr. Speaker, I think we have to be realistic about this situation, and leaving the humour aside and the interesting difference between the attitude of my friends across the way some nine months ago and their attitude today, I think we have to look at this situation from two standpoints. One is the quality of the care of health services to the people of Manitoba and the other one is the availability of that care. And I must say, Mr. Speaker, that I am concerned whether or not we will be able under this plan to provide the quality and quantity of care that we need, because I recognize that it's going to put on a good deal of pressure on our doctors in particular across the province and it will take a period of adjustment. There is no point in kidding ourselves that this won't be so, but, Mr. Speaker, I don't think that anything will be gained by taking a negative attitude at this time in this matter and playing games with it, being in favour of it before election time and then holding back after elections, because I think there are problems here and we have to recognize them.

I frankly admit that I would prefer to see a voluntary plan and I have said so on many occasions in the past, and I frankly believe, Mr. Speaker, that we could achieve a voluntary plan in spite of the regulations set up by Ottawa. I think that the Province of Alberta and the Province of British Columbia have shown that this can be done. I think we have to recognize there are certain categories that we must cover from provincial funds, and that is the group of people who cannot afford to cover themselves and who must get proper health services. I think that if that were done out of provincial funds and we put on a proper drive with the rest of the population who can afford to pay their own premiums, that we could accomplish it on a voluntary basis.

Quite frankly, Mr. Speaker, I reject the proposition presented by the Minister that Ottawa has forced him into making this compulsory. I think we could achieve the 90 percent coverage on a voluntary basis provided that we recognize that as a province we must cover a category of people who cannot cover themselves. If we accept that principle - and, Mr. Speaker, I do - then I think that we could achieve the balance on a voluntary basis, but the Minister has decided it must be compulsory and he says it's Ottawa's fault. Well I don't think there's any point arguing about it now. I would still like him to go back to a voluntary plan and I am sure it would work.

Mr. Speaker, if the plan is going to work, it is going to require a great deal of effort on the part of the government to ensure that the services are provided throughout the Province of Manitoba. This is why I am pleased to see this year that certain things are being done which the government was not prepared to accept last year, and I'm speaking particularly of the proposition presented last year by my colleague the Member for Gladstone constituency which was a step towards providing local services in the country. I think we have to do a great deal more, Mr. Speaker, and I think a great deal more can be done.

I know that there is a problem throughout rural Manitoba in getting the medical personnel there. There is a move towards centralization in the provision of better facilities which can obviously be done in bigger centres, but I think that a program tying in with the municipalities who are deeply concerned about this problem, and the various villages and towns across Manitoba, that we could develop a program to encourage the provision of these services throughout the Province of Manitoba. I recognize that this should have been started a long time ago because the demand is going to be there for the services now. In a number of cases we won't be able to provide the services immediately, but I think that a proper program of bursaries, scholarships and direct incentives to youngsters, particularly from rural Manitoba to go and take medical training on a contract basis where they will return to rural Manitoba to practice, would make a tremendous difference in providing the services in the rural areas.

As well, the government must look at the whole question, the attitude that so far has prevailed of closing down rural hospitals, because it is impossible today, Mr. Speaker, to

(MR. MOLGAT cont'd).... maintain rural doctors if there are not going to be rural hospitals, and the program of centralization is going to mean that you will have no doctors left in many parts of Manitoba. So I think a revision must be undertaken there, and a different attitude, recognizing, Mr. Speaker, that we obviously cannot give special, say, heart surgery in every small hospital across the province. There's no hope of providing that, Mr. Speaker, nor is there need to provide that. There is need to provide it in key centres but that doesn't mean that you have to close down every other hospital because you're centralizing it. And so, Mr. Speaker, there must be a change in the attitude of the government in that regard. If they do that and they maintain the rural hospitals who can do by and large 80 percent of the service needed locally, then the balance of the service can go to the central hospitals. But there must be a government decision on that and so far we haven't seen one.

So this would be I think a major step, Mr. Speaker, in making sure that the personnel at least is available in the rural areas. There must be a greater drive as well to get our youngsters into medical schools; a greater drive to maintain them and retain them here in the Province of Manitoba. This can only be done, in my opinion, by some very definite efforts by the department. It means going into schools and showing youngsters the possibilities ahead of them and helping them where help is needed. I come back then to the program of busarries to those who are prepared to go back and work in those areas of Manitoba where we are particularly short of medical personnel.

Well now, Mr. Speaker, when we come along to a bill like this one we are dealing with some very large sums of money, presumably at this stage something like \$35 million. I don't know of any contract that this government would enter into of that size without making sure, Mr. Speaker, that they are getting the best deal, and if they weren't, then I can assure you that we on this side of the House would be putting forth every effort that we can to make sure that the interests of the public were protected. I would like to know from the Minister what steps have been taken to make sure that we are getting the best value for our dollars on this \$35 million contract, because as I look at this bill, Mr. Speaker, it seems to me that there is no assurance. I see here no schedule of fees; I see here no indication of what it is that we are going to pay the medical profession; and, Mr. Speaker, I want to make it clear that this is no criticism of the medical profession. In fact, I think one of the problems in this bill is that we will be losing a good deal of the voluntary effort and the free services that have been provided in the past by the medical profession, and much of their benevolent work will no longer be available because it is now all going to be under this contract.

I recognize and I thank them for that past service, but, Mr. Speaker, we have to look at the situation as it is. We are now setting up a plan whereby between the premiums charged here and the money we get from Ottawa, we will be paying the fees. Now what are the fees? In my opinion, Mr. Speaker, the fees should be part of this bill. I note for example that the Ontario bill - I just have an amendment to it which came on my desk just very recently, an Act to amend the Medical Services Insurance Act, 1965, Province of Ontario - where they are stating specifically of their act: "The benefits under a standard contract during the period of two years commencing the 1st day of April, 1967, shall be based upon 90 percent of the Ontario Medical Association schedule of fees in effect on that date", and so on. So The Ontario Act is based on a schedule of fees and it's based on a 90 percent basis. I see nothing in the present Act in Manitoba of what we're doing, but I know, Mr. Speaker, that over the past few years under the MMS the doctors of Manitoba have not been receiving 100 percent of their fees; they've been receiving substantially less than that - 70, is it? - 70 percent of a fee schedule.

Now the bill says nothing at all about the fee schedule that's going to be or what percentage. Now surely if we're dealing with figures of this sort, Mr. Speaker, we have to make sure that we are not going to be paying any more than we need to - and I repeat, I don't want this to be critical of the doctors, it's not - but after all there is here a vital concern insofar as the people of Manitoba and that is the cost of the service. There's nothing in this bill to ensure at all what the cost is going to be and how it will be controlled in the future. I would hope that when we reach the further deliberations on this bill that the Minister can give us a clear-cut statement on the fees and what percentage we are going to pay.

I think, Mr. Speaker, that there are other matters in this bill that need to be looked into very carefully. For example, on Page 21 of the bill we have Section 42 providing for extra billing. Under the present MMS regulations, extra billing is only allowed if the patient has an income of over \$10,000 a year. The present provisions in this Bill leave no such guarantee but provide that there can be extra billing at any time if the doctor has announced beforehand

(MR. MOLGAT cont'd).... to the client, the patient, that he intends to bill extra. Now this, it seems to me, Mr. Speaker, is a provision that is far less favourable insofar as the patient than the present MMS schedule where no one can be extra billed unless he has the type of income by which he can pay the extra billing. This opens it now that anyone can be extra billed. I would suggest that this should be changed and that the protection should be put in there.

I think we have to have a look as well, Mr. Speaker, at the other medical services, the paramedical question. Now I know that this is a subject of very heated discussion at times. I recognize that on this matter the Minister of Labour and the Minister of Education may not share identical views. I think there are other areas, Mr. Speaker, where we have to consider the service to the public. For example the field of optometry. What are the intentions of the government in this regard? Section 49 simply says that if the Lieutenant-Governor-in-Council is satisfied that the Government of Canada will contribute, then they can proceed to do so. It's my understanding, Mr. Speaker, that the Government of Canada is prepared to contribute if the province makes the request. That is the basis under the federal Act, so it's not good enough in our Act to simply say that the Lieutenant-Governor-in-Council can consider this. I think we have to spell out what are the other services to be covered. Certainly when you come into the field of optometry you will find many areas in Manitoba that have no service other than that of optometrists, and if they are not to be included then it will mean that many people will have to travel a long distance to have eye treatment or eye inspection. There may be many other fields, Mr. Speaker, that need to be considered, but I think that this should be spelled out by the Minister, that we have a right to know now what he intends to cover, not to wait for the bill to be passed and then for the Minister to announce in regulations at a later date what he wants to do. I certainly think that when this bill reaches Law Amendments Committee, this would be an area where there will be many people who would want to make representations, depending on what the Minister's intentions are.

So, Mr. Speaker, I don't intend to oppose the bill; I intend to support the bill. I think it is a forward step. I recognize that there are going to be problems. I recognize that we will not always be able to provide the services as we want to provide them, that there should have been a great deal more work done beforehand to make these services available to our people, but I think that the bill will cover many areas of need and that it will provide many of our people with better care than they are now getting and with a guarantee of that care, provided that the government takes the other steps that are necessary as well to ensure that the personnel is there to give that care. These steps insofar as the rural hospitals, so far as providing more for our students through the medical schools and therefore more medical personnel, are essential to this. And the other aspects of cost and the question of having a schedule in here, I think is essential to the Bill.

But with those provisos, Mr. Speaker, I think that this Bill will be a successful bill, and that rather than blaming the Federal Government for introducing it, as my honourable friends are now doing, I suggest that they should now take the attitude that I know they will take three years from now or four years from now when the election comes, the position that I am sure they will then publicize in all of their election material, when they will say we brought Medicare to Manitoba. Because that's what they'll be saying four years from now, Mr. Speaker, in spite of the fact that they are saying today, we want no part of it but Ottawa has dragged us into it kicking and screaming.

MR. WALLY MCKENZIE (Roblin): Mr. Speaker, I wasn't going to enter into the debate tonight but the Honourable Leader of the Opposition in some of his remarks, as you may say, trapped me. I am a new member of the Assembly and I stood on the platform during the last election and spoke favourably of Medicare with one condition - no compulsion - and I was elected. I am a Conservative and I'm a free enterpriser; I make my living as a free enterprise system.

We have many problems in the constituency which I represent which are going to be of great concern to me as the elected member for Roblin constituency. The health unit which was described by the Honourable Member from Souris-Lansdowne, which gives him problems in his constituency, is going to be of great concern to me, because I am also in much the same problem as the Honourable Member from Souris-Lansdowne, having two health units and part of my constituency is in the unorganized territory, if you understand what that means.

The other concern that I have at the present time is that the constituency is only being served by three doctors and two have indicated that they are leaving, so that leaves me with one doctor in my constituency.

(MR. McKENZIE cont'd).....

The other great concern to me at the present time, Mr. Speaker, is the Indian problem in my constituency, especially in the pediatric section where the Indian children are plugging the pediatric sections of the hospitals in my constituency. I can't get Indian Affairs to help me; I can't get Ottawa to help me; they just turn their back away. Here we have six and eight and ten Indian children in a bed and the white children can't get admitted. How can we run a scheme like this with a problem such as I have got in my constituency, Mr. Speaker?

The other thing that concerns me is the cost of administration. Ottawa are not going to assist us with the cost of administration in this program. What are administration costs in a normal business - 10, 12, 15 percent? Let's say it's 10 percent, which is 1.7 million it's going to cost Manitoba, and past experiences which have been related very clearly in the House this afternoon have indicated that all those that have tried a Medicare scheme under compulsion have found it to become very very expensive.

I don't think that Manitoba at this time can afford an educational program and a medicare both under compulsion, such as the Minister -- he's not in his seat tonight. I think that if we do go in this, we must hold the line in education and we must hold the line in Medicare, because we will price ourselves out of the market.

I associate myself with the remarks which were brought before me tonight by the Honourable Leader of the Opposition in that the Medicare plan as we have it at the present time is a good plan and I am most grateful to the Minister sitting down there that put this plan into force, and Manitoba has benefitted greatly by it. However, I think, Mr. Speaker, that we have the forces on our side of the House that will take care of this Medicare plan. I have got great faith in the Ministers that are sitting in front of me, and the Honourable the First Minister, and I think that we can do this job and I think that we can do it right. I have great faith in the government that I sit with and I think the problems will be solved with this plan as they were with the Manitoba Medical plan, and I think that we should pass the bill.

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): I think I know now how those 600 men felt when they rode down the valley with the cannons to the left of them, with the cannons to the right of them and the cannons to the rear of them, and before I start to speak on this bill I would like to salute my enemies and I would like to salute my friends.

You know, Mr. Speaker, as we come to the close of the second reading of Bill 68, I am -- (Interjection)-- no I'm not, not in the least, and I don't need the sympathy of anybody because I have had perhaps more of an opportunity to talk about this matter than any of the Members in this House have had to talk about it. When I gave the introduction to the second reading of the bill, I explained to the House why we moved from the voluntary onto the compulsory, and since that time we have had the fears and the observations of the honourable members that we are going to have a very heavy utilization and the costs are going to skyrocket, and we have had the honourable members worried about the doctors in their own community and that the people out in the rural parts of the province are going to receive no medical care whatever, and we had the Honourable Member from Turtle Mountain say that the plan was a disastrous plan. I was rather surprised to hear some of the honourable members from the other side of the House, and from this side too I might say, who spoke in such terms that I thought they were going to vote against it, but instead they all said we are going to vote for it. Now there is a certain inconsistency here somewhere, Mr. Speaker, and I would just like to point it out.

When we were talking about this question of cost and when we were talking about the question of utilization, we were all over Europe this afternoon, we even got up into Scandinavia, but we never got to Saskatchewan which is right next door to us and who has had a Medicare program operating for some four years.

Now, Mr. Speaker, what has the utilization factor been in Saskatchewan? The utilization factor has been nowhere near what they thought it would be. As a matter of fact, if you examine all of those charts and all the figures that they have on the Saskatchewan report, you will find that approximately 65 percent of the contracts that they have in Saskatchewan have a value to them of about \$50.00 or less; you will find about one percent has a value of some \$500 or more; and if you take a look at the hospitalization utilization factor in Saskatchewan you will find that it has not gone up untoward as a result of the Medicare program, and Saskatchewan is the only plan that we have in Canada at the present time.

What people forget when they start talking about Europe and when they start talking about Scandinavia is that those plans went beyond medical services. They went as far as the Honourable Member from St. John's wanted to go, and yet at the same time not vote for the sales tax.

(MR. WITNEY cont'd).... They went into drugs; they went into dentistry; they went into prosthetic appliances; they went into everything holus-bolus and they went into a different method of payment to their doctors.

If you take the scheme in Great Britain you will find it is a per capita scheme and a lot of the problems that happened in Great Britain was the fact that the doctor wasn't being paid enough on the per capita scheme. We are working on a fee for services program. A doctor in Great Britain had so many people assigned to him for everything, and when you come straight down to medical services as they have in Saskatchewan, without other health services, without optometry, without chiropractors, without drugs, without naturopathy, then you find that the utilization factor was not as great as it was expected to be. And even today in the last report that they had from Saskatchewan, the figures showed that it was around about \$28.00 per capita. We are considering right here \$35.00 per capita.

But then you ask yourself, well where did those costs in Saskatchewan come from then, there are some rising costs. Those rising costs come straight from diagnostic services and those same diagnostic services are rising in Manitoba today, and they are rising in Manitoba today under the present scheme that we have as rapidly as they are rising in Saskatchewan under their Medicare program. The Honourable Member for Rhineland shakes his head - I don't know since when he entered the health field - but I know, and I tell you, Mr. Speaker, if you ask yourself what would happen here in Manitoba as those figures go up. Right at the present time some figures that we have and some information that we have now, there are about 45 percent of people who have no taxable income who purchase MMS. Now if they have no taxable income we assume that they are people who have not got much, but they purchased MMS.

Now if the diagnostic services are going to go up with MMS as they are going up in other provinces all across Canada, is it not reasonable to assume that the need for more money is going to come upon MMS at some time or another? And if there is a need for more money from MMS, is it not reasonable to assume that their premium structures are going to have to go up at some time or another to meet those costs? And is it not reasonable to assume that when that happens that you will not have 45 percent of people with no taxable income who can purchase MMS, and is it not reasonable to assume then that people will come to government and say we want you to pick up the additional burden?

I think during my period of time, once just after I became the Minister of Health and once before I was the Minister of Health, the MMS during the period of this government has raised its fee, and you all remember the problems that were created at that time. I'm sure that all of you can remember the old age pensioners on no group who suddenly found that they were paying a lot more a year. At the present time we have old age pensioners on no group contracts that are paying upwards to \$150.00 a year, and if their premiums have to go up following the diagnostic services increase which is going up all over the country, can they afford to go up even higher? And remember the diagnostic services utilization is because basically of the scientific knowledge that has been gained in the explosion that's taken place in the last five to ten years. These are new tests, these are new procedures that are wanted by the doctor and by people, and then you find yourself on a voluntary scheme with the province having to pick up more medical indigents. You'll find on a voluntary scheme that you have people who are paying MMS and who are going to have to pay more, if my assumptions are correct, and at the same time they are paying through federal taxes for the moneys that are sitting down there as the Ottawa contribution which would be going somewhere else.

I don't think we were inconsistent at all with our election promises as the Honourable the Leader of the Opposition seems to think so. We said we would go into a plan; we said we wanted it voluntary. We tried to keep it voluntary as often as we possibly could. As late as about October the Premier was endeavouring to obtain a voluntary plan to pick up that area of need that the Honourable Leader of the Opposition speaks about, to get them to help us with it. Ottawa stayed with their principles, as I pointed out before, and then that left us with this position. As I see the future - it may not have happened - but as I see the future, the diagnostic services were going to rise and the net costs were going to rise, their premiums were going to rise, we would have to pick up more indigency, people would pay more in premiums and they were paying money to Ottawa for something they weren't getting.

So we joined the Ottawa plan, and when we joined the Ottawa plan again we find out that there are roughly about 12 to 15 percent of the people of this province who can afford medical

(MR. WITNEY cont'd). . . . coverage but do not have it, which means that they don't want it. So if we picked up all of the indigency it would cost us - we figured out some 6 to 10 million dollars a year depending on how far we went - if we picked it all up we still could not reach 90 percent and certainly we could not reach 95 percent in a three-year period, so we're into this plan.

Well let's take a look at the good things of the plan, because there are good things in this plan. First of all, we can't determine what the premiums are going to be until such time as we have negotiated with the doctors, but remember that all through this piece we have endeavoured to keep good relationships with the medical fraternity of this province. So far we have done that and we have negotiated on principles, and one of the principles that the doctors wanted was a Crown Corporation type of operation which we have in this bill, and they wanted to negotiate with them, not negotiate directly with the Legislature of this province although the Lieutenant-Governor-in-Council will approve the fees. But we gave them that, we gave in here freedom that the doctors have at the present time under any scheme in this country, under any medical services insurance scheme, doctor-sponsored or otherwise. We gave them that. All we are doing is making a compulsory premium on everybody, including the doctors, that they have to pay.

You take when this scheme comes in, you take the person who is on no group, the old age pensioner who at the present time is paying around about \$150.00, it's quite reasonable to assume that his costs are going to come down. Now do we not want those costs to come down for older people? You take also in this plan that we will be picking up the lab and X-ray all across the province. At the present time we have lab and X-ray out in the rural parts but we haven't got it in the metropolitan parts.

There are other side effects to the bill which have become apparent, and one of them is this question of medical education and this question of doctors for the future. This matter came up even before this medicare program came up, or medical services insurance. It was back in 1964 that the College of Physicians and Surgeons said that if two things happened we would have a shortage of doctors in Manitoba by 1975. One of those things was that if the number of immigrants coming into the province decreased or the exodus from the province increased.

The Department of Health originated a series of meetings, which you'll probably hear about from the Honourable Member from Lac du Bonnet when he speaks to the resolution of the Honourable Member for Gladstone-Neepawa tomorrow, of what those meetings were. And essentially from those meetings came two things, that doctors will move into rural Manitoba when there is an economic climate that encourages them to do so and doctors will move into rural Manitoba when there is the professional and the social climate for them, and that professional and social climate means that the doctors operate in groups and they operate in groups around your regional hospitals.

The Honourable Member for Turtle Mountain and the Honourable the Leader of the Opposition seemed to feel that the modern-day doctor should go out and serve people for nothing. They seemed to think that was some sort of a privilege and they seemed to feel that that was the way to get people into rural Manitoba. Mr. Speaker, that is not the way to get doctors into rural Manitoba.

MR. DOW: I never said that doctors should go into rural Manitoba and serve people for nothing.

MR. WITNEY: I'm glad to hear that, Mr. Speaker, because that was certainly the impression I got when the honourable member was speaking the other day.

Now what will this plan do? This plan will mean that doctors can go into rural Manitoba with the knowledge that they are going to have income. This means that doctors can go into rural Manitoba with that knowledge and will be able to set up the group clinics. As I pointed out here a while ago, we already have more doctors in rural Manitoba than you think there are. You can take a figure - the Honourable Member for Gladstone-Neepawa took one the other day - but that figure doesn't take into account the roads that were built by this government that allows people to get to the group practices in Neepawa, in Minnedosa, in Deloraine, in Wawanessa, in Swan River, all across the country, in Beausejour, in a short space of time. And it doesn't take into account either that the good roads will take them from those group centres, if they can't handle them, right here into Winnipeg where a lot of them are coming for the specialists' services. And it doesn't take in the fact either that those group concentrations of doctors which are taking place in the province right now are gradually bringing the specialists from Metropolitan Winnipeg into the rural parts of Manitoba. There are specialists at Virden; there are

(MR. WITNEY cont'd).... more specialists at Brandon; there are specialists in The Pas; there are specialists in Flin Flon; there are specialists in Hamiota. In Hamiota there is an interesting situation. Hamiota was perhaps the one form of medicare program that we had in this province - out at Hamiota. They've never had any problem getting doctors out in Hamiota.

There's another side effect that comes from this bill and that is the emphasis that has come now on preventive health. Our health units will continue to function. There seems to be some fear that those health units that are established around the province will not function any more, but they will. As a matter of fact, those health units have a more dynamic need than they ever had before in the field of preventive medicine. We had Dr. Kippen the other day. In the speech that he made they took certain parts of it out, but they forgot to mention what Dr. Kippen had to say about the need for preventive medicine, and preventive medicine is one of those areas that will need a priority with the introduction of this bill.

I'd like also to mention about medical education. When the bill came in the Federal Government about six months later laid \$500 million on the table for medical education. I'll never forget that year because within a period of about six months Ottawa put down on a green table in Ottawa the equivalent of \$1 billion on this plan. This \$500 million was not enough, but it sparked a whole series of imaginative programs right from stem to gudgeon of Canada. It sparked too many. It sparked so many that we're not going to have enough professorial staff to staff them all, but this was the first impetus that the medical education had had for some time in order to graduate doctors and the paramedical personnel.

I'd like also, just finally - the Honourable Member for Seven Oaks I think it is - I'd like to say to the NDP that you're not the only people who are interested in the health of people. This government here has been interested in the health of people in so many ways. I can take you out to Brandon, to Portage, to Selkirk, to St. Amant Ward; I can take you to the health units dotted all around the country; I can take you to the Lab and X-ray units dotted all around the country; I can take you to the rehabilitation programs that we have operating, programs that were started by this man, some of them that have been started by me, such simple but very effective things as the Guthrie test to prevent retardation in a child. I got the impression from listening to the Honourable Member for Seven Oaks that you people were the paragons of virtue when it came to health and we were the opposite, whatever they might be. I deny that.

So we now have come to the point where we go into Law Amendments and this Bill, Mr. Speaker, will be there tomorrow. I, too, add one more comment to that made by the Honourable the Leader of the Opposition. He said that we ought to put optometry and all of the other health services and spell them out in this bill. As I pointed out when we gave second reading to this bill, I said we will add these health services as they will benefit the plan; as we can afford them and as Ottawa will pay its costs. Now maybe I shouldn't attack Ottawa again, but there was a meeting down in Ottawa just about a week or so ago and the question was asked how do you intend to make your contribution? And the matter is still not resolved.

As I said about the Honourable the Member for St. John's, that the costs of these type of programs in the European countries developed because they entered into other areas of health too fast. The Saskatchewan experience shows that just medical services insurance alone, just alone, does not rise catastrophically. So this section of the Act should stay as it is; as they will benefit the plan; as we can afford them, and as Ottawa will pay its share.

Mr. Speaker, I recommend the Bill to the House.

MR. MOLGAT: Mr. Speaker, would the Minister permit a question?

MR. WITNEY: Yes.

MR. MOLGAT: If the Minister recommended that optometry for example, be included, would not Ottawa agree to pay its share on optometry services?

MR. WITNEY: No, that's the problem. The question has been asked of Ottawa if one province decides to include optometry, will Ottawa pay its contribution; the answer is no.

MR. MOLGAT: What is required then, a number of provinces or what?

MR. WITNEY: They don't know yet. They are talking in terms of about 50 percent of the total population to 75 percent.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. CHERNIACK: Ayes and Nays please, Mr. Speaker.

MR. SPEAKER: Call in the members.

For the benefit of those members that might not have been in the House, we are now voting on Bill 68.

A STANDING VOTE was taken the result being as follows:

YEAS: Messrs. Baizley, Barkman, Beard, Bjornson, Campbell, Carroll, Cherniack, Clement, Cowan, Craik, Dawson, Desjardins, Doern, Einarson, Enns, Evans, Fox, Hamilton, Hanuschak, Harris, Hillhouse, Johnson, Kawchuk, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Molgat, Patrick, Roblin, Shewman, Shoemaker, Stanes, Steen, Tanchak, Watt, Weir, Witney and Mesdames Forbes and Morrison.

NAYS: Messrs. Dow and Froese.

MR. CLERK: Yeas 44; Nays 2.

MR. SPEAKER: I declare the motion carried.

..... continued on next page

MR. LYON: Mr. Speaker, instead of proceeding with second readings because of the hour I wonder if we might refer now to the resolution standing in the name of the Honourable the First Minister on page 3 of the Order Paper. It stands adjourned in the name of the Honourable Member for St. George. I wonder if that might be called please.

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable the First Minister, The Honourable Member for St. George.

MR. MOLGAT: Mr. Speaker, the Honourable Member for St. George is still ill unfortunately. I don't know if it's a result of the assistance he obtained from the Minister of Education or not, but he is unable ...

MR. JOHNSON: Honourable Leader of the Opposition it was penicillin and not LSD.
A MEMBER: Elman wouldn't know the difference.

MR. MOLGAT: So the honourable member will be unable to be here, Mr. Speaker. I could proceed tonight, although it would suit me better frankly to go tomorrow, but if there are some reasons to go tonight, I'm prepared to speak this evening. I am not intending at all to hold the matter up.

MR. ROBLIN: Mr. Speaker, I think members may know that I will not be in the House Wednesday, Thursday or Friday and I would very much prefer if we could deal with this resolution on transportation and also the Act to amend the Legislative Assembly Act while I am here, get them off the calendar perhaps; so I would solicit the co-operation of the House in that.

MR. MOLGAT: Mr. Speaker, in that case I am quite prepared to proceed tonight. I had hoped to get some more information but I will deal with the matters that I have before me at least at this time. I presume it will be in order then to leave the adjournment insofar as my colleague the Member for St. George constituency who will probably then not be speaking at all on the resolution.

Mr. Speaker, I am not going to oppose the resolution, really it's a resolution a little bit like a resolution on motherhood. I cannot see that it's the sort of thing that you can object to because really it's the sort of thing the Manitoba Government should be doing at all times, without any resolution. I can see really nothing specifically in this resolution that is not part and parcel of the responsibilities of the government of this province and things that they should be doing constantly through the Department of Industry and Commerce which is charged with the responsibilities of developing the Province of Manitoba from an industrial standpoint through the Department of the Provincial Secretary, for the Minister of Public Utilities who are dealing with transportation in other terms, through the various agencies of government. Surely matters such as dealing with the development of Fort Churchill or the role of rail transport, existing and future highway requirements, under industrial needs and resource development and tourism, these are all things, Mr. Speaker, that the government should be dealing with constantly and it comes really as a little surprise to me that we need a special commission to study this. However, I have no objections to it, if the Commission is in fact going to produce some information which will permit us to do more things than we are doing now. I would not be prepared to support it if we are simply setting up another agency to which the government can slough off responsibilities rather than proceeding on its own.

So in general terms, Mr. Speaker, I am prepared to support this. I would hope it won't end up by being a very expensive Royal Commission that will take three years to report back to us because on a number of these matters I think what really is needed much more than that is a continuing study by the departments involved and a study updating of all the information. I think here, Mr. Speaker, I would like to depart a little bit from the exact wording of the resolution, and I would trust I would not be going against the rules in so doing, because as I recall the presentation made by the First Minister when he introduced the resolution, he covered the whole history of transportation in the Province of Manitoba over the years and I assume that it would be in order for me to deal with some matters not directly involved in the resolution.

This leads me, Mr. Speaker, to a suggestion that was made some two years ago now by the present Minister of Transport, the Honourable Mr. Pickersgill, speaking in Winnipeg, I think it was to a Chamber of Commerce, he proposed that the Province of Manitoba was an ideal place and the University of Manitoba was an ideal location for a special department on transportation economics. It seems to me that this is a proper recommendation, Mr. Speaker, because we are sitting here in the very center of the continent. Of all the areas in Canada who have problems with transportation, whose future depends on transportation, in fact whose past

(MR. MOLGAT, cont'd) has been largely determined by transportation, the Province of Manitoba is the ideal example as the centre of the continent; and yet, Mr. Speaker, any time we run into a transportation problem, what is it that we have to do in this country? -- and this doesn't apply strictly to Manitoba, it really applies to all of Canada. We have to turn to our American neighbours and hire consultants there to advise us on transportation problems. We have seen this in the case for example of the Air Canada overhaul base enquiries where the Province of Manitoba itself hired an American consultant; where Air Canada over the years has been hiring American consultants. It's not that I have anything against American consultants Mr. Speaker, but for a nation like Canada where transportation is quite obviously one of the key factors in the whole development of our nation, in fact, where the nation was originally built on transportation promises, because if we made a Confederation back in 1867 and if we brought British Columbia into the Confederation and the rest of the West into it, it was based on transportation, based on the promise of a rail connection. Our whole structure since then has been greatly influenced by this one major factor and it's not likely that it is going to change much in the future, Mr. Speaker. In fact, it is likely that if we do the right things in transportation and if we do our research properly and come out with the right answers, that our whole economic development will be greatly enhanced by it. So I think that the recommendation of the Honourable Mr. Pickersgill was an important one. I think this is an area where we should be moving forward and every encouragement should be given to the University of Manitoba to proceed with this and I think it's fair to say in behalf of the University that they have investigated this and I think are prepared to move; but I think it requires as well from the Province of Manitoba, another serious consideration in constant assistance and I wonder in fact, if the sort of a study that is now being recommended specifically for a Commission wouldn't be the right sort of thing to start off this department with; whether we shouldn't be saying to the University well here, the Federal Government are interested in having a centre of transportation studies in Canada. As a province we recognize the importance ourselves. The Premier obviously feels it is important because he has introduced a resolution in his own name on the subject. Wouldn't it then be an ideal start for a department at the University of Manitoba, to say to them - here we have problems from A to G, as listed by this resolution; there is the beginning of a study project for you.

It might be that we would want as well to set up a separate research facility here in the Province of Manitoba possibly separate from the Department itself, something where we might ask for contributions from the various transportation organizations, set that up, working in co-operation with this Department, in co-operation with the province, transportation companies, on a specific research basis, because I think when we start looking at these things, Mr. Speaker, one of the things that we find is that there is a lack of any central source of information in Canada or transportation problems.

You will recall, Mr. Speaker, that we had some differences of opinion, if I might put it that way, in this House on the question of water transportation to Grand Rapids and one of the things that came out in the course of the reports from Manitoba Hydro is that when they came to find out what were proper costs, it was very difficult to obtain any specific information because there was no place to turn to. You could ask someone who was transporting on the Great Lakes but there had been no accumulation of material in any one location. This is just one example, Mr. Speaker, of the type of things that could be done here in Manitoba and we have at this time the recommendations from the Minister of Transport himself. I don't think it's because he's an ex-Manitoban that he is making the recommendation, but I think it partly hinges on the fact that he did live here in the West and has some personal knowledge of the problems of the West and of Canada. He now represents one of the areas furthest removed from us, in Newfoundland, and he sees what transportation means to Canada. So I think we have a golden opportunity here, where the Minister has indicated some interest, where our own provincial premier recommends to this House a number of areas of study; now is the time to make the approach to Ottawa and see to it that this centre is set up.

It seems to me that on our own basis, Mr. Speaker, that there are many things that we could be doing as a province; things that are within our possibilities and which fit into this resolution. One item here for example is the question of the facilities, the operation and utilization of the Port of Churchill and I know that the Honourable Member from that constituency had a resolution on the Order Paper on that subject. From what I've been able to find out, Mr. Speaker, the main push for the use of the Port of Churchill has come not from the Province of Manitoba where the port is located, and who should have the prime interest in the port, but really

(MR. MOLGAT, cont'd)has come from the Province of Saskatchewan; the Province of Saskatchewan has been the prime mover in extending the use of that port from the information I have been able to obtain. For example, I know that last year the Government of Saskatchewan specifically insisted on certain of its purchases that these be brought in through Churchill. They bought English cars and insisted that they be delivered through the Port of Churchill. I think they have through their Liquor Control Commission, where it imports from Europe, insisted that they come in through the Port of Churchill. They have taken specific steps, Mr. Speaker, in those areas where the government has the right to control the movement of goods, to insist that Churchill be used. Because it is all well and fine, Mr. Speaker, to say well we should have more wheat going out through Churchill; what we need is more facilities at Churchill to export wheat. We have to recognize that we don't always control the shipment of that wheat. The buyer is the one who can decide where he will pick up his wheat, and if it happens to be Russian or Chinese buyers and they prefer to pick it up at the Port of Montreal or Vancouver or Prince Rupert, this is their choice, not ours.

It may be if we come to a complete sellers' market, where we can say to foreign buyers, you buy our wheat where we want you to buy it or you don't buy it at all, that we can change that, but that isn't quite the situation that we have been in over the past years, Mr. Speaker. We have been thankful for every customer we had and if they said to us we would rather take it at Vancouver, I think that no Wheat Board and no government could say no, you are going to pick it up at Churchill. So we don't have that element of control on the outgoing merchandise; we do have some element of control on some of the incoming merchandise and this is where I think the government could do a bigger job and a better job for the Port of Churchill by saying for example, in the case of our liquor imports, which are purchased directly by the government through an agency, deliver through Churchill.

In other cases of buying merchandise, where the government has some control, again insisting on Churchill. I am told that last year, Saskatchewan filled three ships by the actions of the Saskatchewan government, incoming ships. We have to recognize as well when we speak of Churchill, that the question of incoming merchandise is the biggest problem because it is reasonably easy to fill the ships with wheat once they are at Churchill; it's on the way in that they lack cargo.

I understand that this year the Province of Saskatchewan is trying to get five ships filled. Again as a direct result of the Saskatchewan government's initiative, and I would like to know what initiative the Manitoba government has taken in this regard. What specific steps has Manitoba taken to see to it that we fill more ships coming into Churchill? Not simply talking about it Mr. Speaker, and having resolutions on Order Papers but specific action by the government itself.

I think there are other areas as well, Mr. Speaker, where Manitoba could be taking the lead. Last fall when the Federal Government introduced its bill on transportation, I decided that I would go down and make a presentation to them on transportation matters where I felt certain action should be taken. I'm not going to run over all of that brief; I want to touch on one particular program that I recommended to Ottawa at that time and where the province I think could take up the battle. And that is on a question of joint highway construction by the Federal Government and the Provincial Government where branch line abandonment is decided upon.

The freeze on branch line abandonment was abandoned under the new bill and certain lines were put up where applications can now be made by the railways for abandonment. A number of these are going to have a serious impact on the Province of Manitoba. Take the Interlake for example; the one line up the centre of the Interlake is one that is now open for application for abandonment. Should that line be abandoned, we will find a number of places like Fisher Branch, Hodgson, Poplarfield, where there is presently an elevator, and where the local grain producers can deliver, will find themselves some 20 or 30, 40, 50 miles from a new delivery point on either side of the Interlake on the line running up the west side to Gypsumville or on the east side through Gimli and North.

These people Mr. Speaker, will find themselves in an entirely new position insofar as grain producers. The same occurs in my own constituency and that of the Honourable the Member for Ethelbert Plains where a present railroad running from Dauphin or Sifton Junction to Winnipegosis, in his particular case; from Ochre River to Rorketon in my own area, are up for abandonment. The railways involved will not lose by abandonment, Mr. Speaker, because in both cases there is only one place for the grain to go to and that's another point on the same railway, that is the same railway system. In our own case it's going to be CNR whether or not

(MR. MOLGAT, cont'd) the branch line is abandoned, because the only service up through that whole northern part of Manitoba is CNR service. So the railway can quite properly take the position well the line is a costly one to operate, we'll remove it and whatever grain is still grown in the area is going to end up in any case on CNR trackage and in CNR cars. But the producer, Mr. Speaker, will be in a new position, because he is going to be some 30, 40 and 50 miles from a delivery point and he is not going to be in the same competitive position as he was prior to the abandonment. Well again we have to recognize that we probably won't be able to keep all of the branch lines in the west and to insist that none of them will be abandoned would probably end up by being an uneconomic decision for Western Canada and in the long run a costly position for us. But if a line must be removed, Mr. Speaker, isn't there then justification for alternate service? This was one of my recommendations to Ottawa in the brief I gave them last fall, that where decision is taken to remove a line, then that there be a joint program by the Federal Government and the province and possibly the railway as well, to put in a hard surface all weather road to connect those delivery points the farmers will have to deal with.

Mr. Speaker, if that were done, I think we would accomplish two things. We would put those producers maybe not in the same position as they were with a railway point, but with present trucking facilities, in a reasonable position, and we would be enhancing the general economic development of those areas. I am sure that if we went to a number of those points, let us say Fisher Branch or Hodgson and said to them, if the abandonment goes through there will be a hard surface road connection from there, Fisher Branch or from Hodgson to Arborg or to Riverton or to whatever delivery point it's going to be, that there would be a good deal of approval in the area not just by the grain producers but by the other economic activities in that area and by the residents there. I know that in my own case, if the village of Rorketon which is going to be affected by this were told there will be a hard surface road connection from Rorketon to a delivery point, that this would change completely their fears and their legitimate fears of abandonment. This is one area I think, Mr. Speaker, where the government of Manitoba could undertake this project and push it with Ottawa on a joint program. In the same way as we speak about roads to resources, here's a roads to grain areas, a roads to development programs for the balance of the province, because when you look at our present highway system it is by and large built on parallel lines, parallel to our railways. What we need now is the cross lines, the cross connections to make sure that we have a grid system of all-weather roads.

When we're speaking about northern development, Mr. Speaker, I think that we could tie in some of our work with air development as well. For some time now the Federal Government has had a program of assistance on the building of airstrips. If an area wants to produce, or if you build an airstrip, the Federal Government has a program of assistance. I think that we could tie in a good deal of our road construction in the north, a good deal of our welfare work in the north, a good deal of our employment problems in the north, particularly on the Indian reservations, with a program of airstrip construction in the north. It's not necessary, Mr. Speaker, to have hard-surfaced airstrips throughout these areas, but certainly if you had grassed or gravelled strips throughout northern Manitoba you would change very much the position of many of those areas, and I think that this is something that has to be extended.

We spoke this year about a road connection between Grand Rapids and Ponton. The government amended the resolution to ask that it be the road to Thompson to Lynn Lake, with which I agree, I've asked for a road to Lynn Lake in the past. We suggested that we consider a connection to Kettle Rapids and to Churchill. Presumably the government will not proceed on the Lynn Lake one. Mr. Speaker, as we're doing that, would it not be wise when we have the equipment in the area to plan a series of airstrips along that same piece of road, to put these in - and we can get a Federal Government to do it - to make more of this country accessible.

We are finding constantly that Americans in particular are coming to our northern areas with light aircraft. In fact the whole of the light aircraft field has changed tremendously in the past few years. Winnipeg is now the distributing point for one of the major light aircraft distributors, they key distributing point for all of Canada, not just for Manitoba but for all of Canada, distributed here from the Winnipeg International Airport area. We see every year a growth in this but it cannot grow, Mr. Speaker, without landing strips. While our own people here may accept to have floats or combination floats and so on, these are very costly factors, and if you make our north open to wheeled aircraft traffic you will find a major change in the numbers of people, in tourists in particular, who go to those areas.

(MR. MOLGAT, cont'd)

I want to speak briefly, Mr. Speaker, on the question of the Winnipeg Overhaul Base. Now this is one that has been discussed on many occasions in the past in this House and out of it. I think that we have to keep on the pressure on the Ottawa government, on Air Canada, on this whole question of the overhaul base. I am one of those, Mr. Speaker, who have never accepted the decision of Air Canada and I am not prepared to accept it now. I think that Manitoba was the victim of a great deal of unfairness by Air Canada and I have thought this - the time that I've been involved in it and I know that my predecessor who was the Premier of the province till 1958 said the same in his day - and I say that we have to keep on fighting. I think that there's a change in circumstances that warrant a new attack on the question, because throughout the world today there's a great development in the air industry and Air Canada is one of the beneficiaries of that development.

The expansion of Air Canada in the past few years has been far beyond the expectations of Air Canada itself, far beyond the expectations of the people of Canada, and predictions of aircraft utilization and aircraft purchases by Air Canada have changed very substantially in the period of just a few months. Where we were dealing two years ago with Air Canada saying to us that their estimates for new aircraft were so many aircraft by 1970 and so on, this has all been changed, Mr. Speaker, changed radically. I have here some forecasts, for example, for the period of two years. In 1964 Air Canada were forecasting that by 1970 they would have a fleet of 23 DC9's, 34 Viscounts, 19 Vanguards, and 19 DC8's. That was their 1964 forecast for 1970. By 1965 this had already changed very substantially. In the September 1965 forecast, the DC8's have gone up from 19 to 26; the Vanguards from 19 to 23; the Viscounts from 34 to 39; the DC9's from 23 to 30. By July of 1966, less than a year later, those figures again had changed, Mr. Speaker. We found that particularly in the shorter range aircraft, the new types like the DC932's, we moved up from 30 DC9's to 37 932's, and this just in a period of a few months. And this has been the record not just of Air Canada but almost all the air carriers, so a decision that was taken some eight years ago now, or seven years ago, to move the overhaul base from here to another location is not necessarily a true decision in the light of the developments of that company, Mr. Speaker, and I say that . . .

MR. SPEAKER: I realize the honourable gentleman is speaking on a very very important matter which is very very close to his heart no doubt, but I wonder if that has anything to do with our resolution, north-south, that we're discussing. I . . .

MR. ROBLIN: Mr. Speaker, I must come to the defence of my honourable friend because I must admit that when I introduced the resolution I spoke pretty extensively on the Air Canada base, and I think if you were reminded of that, Sir, you might like to have him do the same.

MR. SPEAKER: I must say in all sincerity that the matter that the First Minister brings to my mind escaped me and I'm sorry I interrupted the honourable gentleman's trend of thought. Probably he'll carry on.

MR. MOLGAT: Thank you, Mr. Speaker. The only reason that I am speaking on the subject is, as the First Minister indicated, that in his own comments he did cover the territory fairly extensively, and on re-reading his speech I found that it covered many items not directly included in the study and I felt that I would not be out of order, so I thank you for your decision.

So I'm all in favour, Mr. Speaker, of keeping up this battle on behalf of Winnipeg and I think that we have a reasonable claim here, in the light of the new circumstances, that we have to keep on this fight for our province and for western Canada.

I think as well, Mr. Speaker, that as a government we can do more to develop our own base here, and I'm not speaking now specifically of the overhaul base but rather of the airport itself. It is true, Mr. Speaker, that we don't have as a province the control over landing rights at our airport. This is an international decision, one in which the Government of Canada has some say, but which in the final analysis is determined by a group of countries, and it's the result of very intensive bargaining.

So while we don't control landing rights, we do however, Mr. Speaker, have one area where I think some development can be important to us, and that is in the aircraft that land here for servicing and for fuel. Because of our particular location here in Winnipeg, we are the furthest point inland from which an aircraft - and I'm speaking now of the modern jets, the DC8's, the Boeing 707's, and even the latest of the propellor versions like the DC7's - they can land at Winnipeg, take off with a full load of passengers and fly non-stop to virtually every capital in Europe, certainly all of the western European capitals. This puts us, Mr. Speaker in a very particular position.

(MR. MOLGAT, cont'd)

We've talked about cargo development, and I'm pleased to see that Air Canada is going to proceed with a major cargo base here which I think will be started very shortly. But I think we can do more than that. When you consider the present developments on the west coast of North America, the whole area from California which has been one of the fastest growing states of the American union, that whole of the west coast up to and including British Columbia in our case, on any flights to Europe the ideal stopping off point for refueling is Winnipeg and we have here in our airport facilities the best facilities in western Canada. We have the longest strips of any airport on the prairies; we have the biggest load factor on our strips of any airport in the prairies. Our present strips will take a load of 500,000 pounds which will take any aircraft presently flying, and in fact any that are on the boards for the next four or five years of production. We have strips longer than any airport in the prairies; we have excellent facilities for refueling and for the temporary handling of passengers.

I'm sure the members will be interested in knowing that many airlines presently use, on an intermittent basis, the Winnipeg base. In the past four months, for example, there have been Pan-American flights coming in here. In fact in the month of January alone 23 Pan-American aircraft who have no landing rights, that is from pick-up or delivery at this point, 23 of them landed here for refueling. Others that land here for example are World Airways, a charter line; Overseas National Airways, another charter line, SAS at times; Trans World Airways; Air France; as well as the various military groups such as the American Air Force of course, or NASA, the National Aeronautical States Organization. All of these at times make use of Winnipeg. Their alternative, Mr. Speaker, could be Calgary or Edmonton or Minneapolis.

Now this means that if we do the right things, because of our location we can get more of this traffic, Mr. Speaker. Now I'm not saying that this is going to be a sudden bonanza from the standpoint of employment such as an overhaul base would be, but it does mean fuel sales; it does mean personnel at the airport employed to service these aircraft when they're here; and it can mean in the future a definite pressure by some of these airlines for landing rights here at Winnipeg and better access for us; and it can mean, Mr. Speaker, as they make use of our facilities, a greater interest in our cargo development from this location.

Now what can we do about it? Mr. Speaker, there's one thing that the Manitoba government can do and that is to revise its tax on aviation fuel. I asked the Minister last week, when the bill was before us on the change in the tax on gas, what was the situation on aviation fuel. The report that I got is that in Ontario it is like in Manitoba, a two-cent per imperial gallon charge. In the province of Saskatchewan, no tax; in the province of Alberta, no tax except where aviation gasoline is of not less than 80 octane number or aviation turbine fuel, so the big sales, the turbine fuel, are exempt. But I understand, Mr. Speaker, and if I'm not correct I would hope that the Minister will correct me, that we in Manitoba charge two cents per gallon. I understand, on the other hand, that Minneapolis does not charge.

So there is a possibility here of analyzing whether or not a change in our tax on this aviation fuel would not make a change in the number of these lines that do use our facilities, and whether a sales approach by the government of Manitoba to the various lines that overfly, a study by ourselves first of all which ones would be accessible and a presentation to them, and a consideration then of making our own aviation fuel tax exempt. Surely, Mr. Speaker, if we are considering the tax on fuels as being connected with road construction, well certainly there is no need in the case of the airlines to continue this tax. If it is a pure revenue consideration, which it can only be in this case, then I think we have to look at it as to what other benefits would we have by abandoning the tax and increasing our employment, increasing the sales of fuel, or reducing the tax, cutting it in half. Surely there is here room for consideration, room to take advantage, Mr. Speaker, of our natural asset of location, and our other asset that the Federal Government has seen fit to build here a major facility, that the services are provided that can be used by these people.

So Mr. Speaker, I have sketched some of those areas where I think the Province of Manitoba itself can take action. In the case of the Port of Churchill - by making decisions to import the goods over which we have control through the Port of Churchill. In the case of the Winnipeg overhaul base - by keeping up the fight and making sure that we have at hand, at all times, all of the information necessary to keep up that fight. In that regard I would like to pay credit to the Union at the Winnipeg overhaul base that has been in the lead on this fight to retain this facility for the province. I am sure that many members of that union have done this very

(MR. MOLGAT, cont'd) much to their own detriment, very much to their own loss, but they have done it because they believe that there is here something that should be retained for Manitoba and I think we owe a debt to them for that.

And I think, Mr. Speaker, that we have to take immediate steps to push this question of a department of transportation studies at the University of Manitoba and a national or Canadian research institute or transportation here in Manitoba. The Federal Government have shown their interest; let us now put forward to them a definite proposition and let's take advantage of the money they are prepared to put into this and set up on a Canadian basis, here in the Province of Manitoba, such an institute. Let us, as we are considering our northern development, take advantage of the federal offer to build airstrips.

Now these are all things, Mr. Speaker, that are within our power to do as a provincial government, and while I do intend to support the resolution, I hope, Mr. Speaker, that the resolution will not be used to delay any of these things and to shift the responsibility onto someone else. I wonder if, in fact, the Premier would not consider amending his resolution to refer this instead to the University of Manitoba and make this the item of their study, the establishment of their research centre rather than having it done as a government body; and those areas where we can take immediate action, that the government would not wait for the results of this study but would take the action now.

MR. CHERNIACK: Mr. Speaker, my leader has hoped to participate in the debate, and the way the time is running, I would guess that he will have that opportunity yet. I wanted to make certain comments and I frankly don't know whether I'll finish them in this period of time that's left for this evening, but I do feel that there are certain comments that should be made about the approach to this problem as it is presented in this resolution.

We have been treated to, I believe, a very interesting and a well presented review of the situation in Manitoba on the question of transportation - on the very broad question of transportation and development - both by the introduction to this resolution by the Honourable the First Minister as well as now by the Honourable the Leader of the Liberal Party, and it has indicated to me the vast amount of knowledge that is available at least with these two members of this House.

There has been a great deal said on this question and of course there will be much more said, but looking as one does at the resolution, I am bound to say that I have difficulty in understanding the need for it, because in the preamble the Honourable the First Minister mentions the fact that, at present, study, representations and inter-governmental negotiations are proceeding with respect to many of these aspects, and it seems to me from the report he gave us, the very extensive report that he gave us on the introduction of this resolution, that there are a great deal of representations now being made and there have been a great deal of representations made by the government and by others which would indicate the vast amount of study that has been given to this problem.

The second portion of the resolution - the following portion of the resolution says that "it is considered that the problem of North-South transportation within the province merits special measures at this time." One would then expect the resolution to give specific statements as to what special measures at this time would be recommended by the government so that it would be a matter for discussion, debate, and indeed for bills and for action, but although the preamble states that this problem merits special measures at this time, leading us as I believe to the expectation of the presentation of a positive program of development, we find instead that the resolution then peters out in terms of a lengthy list of matters not that will be presented by the government for action but rather for study, and not for study by the government and not for study by the Legislature, but by study by a commission, a commission which will then make recommendations after some extensive study and then hopefully action would be taken on the basis of what this commission will be reporting.

Now in the lengthy and very well documented introductory address by the Honourable the First Minister, he mentioned a number of these studies - and I'm wondering how many more there are which he did not mention - and the special measures that are recommended in those studies do have a great deal of impact on jurisdictions other than ours, that is mainly on the federal level. The question of what the province can and should do is a matter, as was said by the Honourable the Leader of the Liberal Party, a matter for the government to have studied and to have done, and the government is not short of mechanisms whereby it can accomplish this and certainly I don't think has to come to this House to authorize it to establish any form of additional investigatory body.

(MR. CHERNIACK, cont'd)

We know that there have been commissions in the past and they were mentioned. The Honourable the First Minister even mentioned the Turgeon Commission which dealt back in 1949; the MacPherson Commission on transportation which reported in 1961; the brief of Air Canada was very fully reported on; the Department of Industry and Commerce itself, which has means whereby studies can and shall be conducted. One need only look at the authority taken unto itself by this government to carry on studies, and the one wonders what is the need for this commission.

I am prepared to go on, Mr. Speaker, although I don't promise to finish in the next twenty seconds.

MR. SPEAKER: Is it the wish of the House we continue?

MR. LYON: We'll leave the item standing in my honourable friend's name. Before moving the adjournment, Mr. Speaker, I would remind honourable members of the meeting tomorrow morning of Law Amendments Committee at 10 o'clock in room 254. I would move, seconded by the Honourable the Provincial Treasurer, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 o'clock Tuesday afternoon.