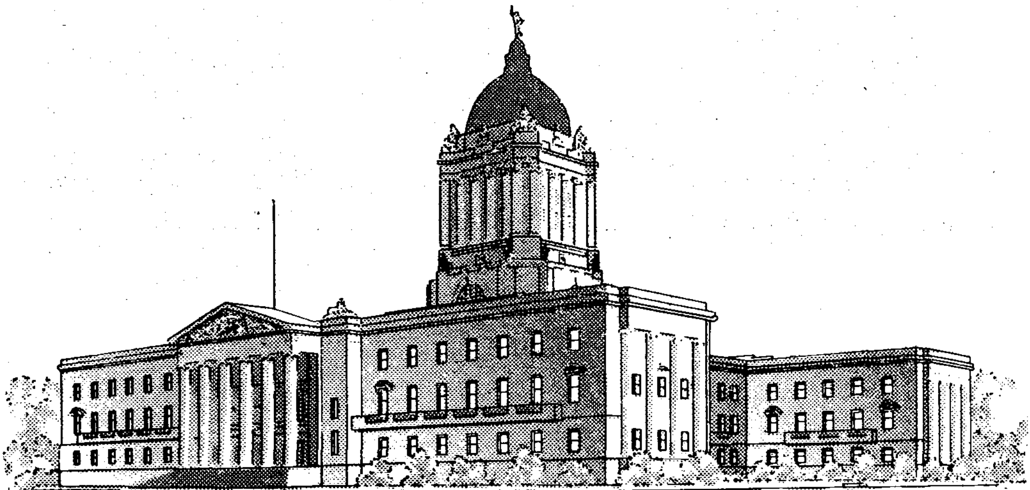
Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



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THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, July 13th, 1959.

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.
Reading and Receiving Petitions.
Presenting Reports by Standing and Select Committees.
Notice of Motion.
Introduction of Bills.

The Honourable Minister of Education.

HON. ERRICK F. WILLIS, Q.C. (Minister of Agriculture and Immigration) (Turtle Mountain): Mr. Speaker, in the absence of the Minister of Education, I beg to move, seconded by the Minister of Health and Public Welfare that leave be given to introduce a Bill, No. 56, an Act to amend The Manitoba Teachers' Society Act, and same be now received and read a first time.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Orders of the Day.

HON. GURNEY EVANS (Minister of Mines and Natural Resources) (Fort Rouge): Mr. Speaker, yesterday when I was driving home on the Trans-Canada Highway from Falcon Beach, I noticed a small forest fire starting just close to the highway, and I drove along some three and a third miles to the first filling station I came to. And the point I want to make is this, that by the time I got there some dozens and dozens of cars had turned in that filling station alone to report that forest fire. I would like to say how valuable a service that is to the Forestry Branch to have the earliest possible notice of forest fires, and to commend all those who took the trouble. Then too, so many telephone calls had been put through to the Forest Rangers' Station calling attention to the fire that the telephone man's lines were quite jammed. Just as an evidence of how much the people realize in Manitoba the value of our forests and how they realize their duty and perhaps their own advantage in reporting forest fires.

Now there's a way in which the members of the Legislature can help in this regard if they will. We have had prepared a number of bumper stickers for automobiles saying, "Prevent Forest Fires". They're attractive stickers. I just assisted the Premier in putting the first of these stickers on his car. And with your permission, Sir, I would like to ask the pages if they would distribute these bumper stickers for members' cars with the request, if they care to do so in the public interest, to put these bumper stickers on their cars.

MR. E. GUTTORMSON (St. George): Mr. Speaker, I'd like to direct a question to the Minister of Public Works. Has the Minister decided whether or not they're going to allow the logs to be removed from the Fairford Dam which are causing flooding of Lake Manitoba?

MR. WILLIS: We had an engineer there on Thursday who brought back a report which is now being consolidated and I will have it tomorrow. But I was unable to have it today due to the fact that they were looking back to some old records which were difficult to get and they had to be in touch with the Federal Government in Ottawa in regard to it. But I would hope that there's a possibility even this afternoon that I might get that report from Mr. Griffiths. When I have it, I'll report to the House.

MR. GUTTORMSON: Mr. Speaker, I'd like to add a subsequent question. Do the building plans for that new government building on Kennedy Street call for an air conditioning unit?

MR. WILLIS: No, I think not.

MR. SPEAKER: Second reading of Bill No. 5 - the Honourable Minister of Agriculture.

Mr. Willis introduced for second reading Bill No. 5, An Act to amend The Department of Agriculture and Immigration Act and Certain Other Acts and to Establish a Water Control and Conservation Branch.

MR. SPEAKER: Are you ready for the question?

MR. WILLIS: Mr. Speaker, this is really an 'umbrella' act which merely brings under one authority some eight different Acts and, for all its thickness, most of what it does

(Mr. Willis, cont'd.) .... is to amend the other acts so they may be correlated so that you'd have all of these acts a number of which were formerly under Public Works and under Mines and Natural Resources, will now be all under Agriculture - under Water Control and Conservation. It transfers to the Department of Agriculture the various usual authorities including all the drainage of the province and brings into this Act anything in regard to drainage or water within the Province of Manitoba. Consequently, if your problem is water then you come to the Department of Agriculture. If you come there, Mr. Griffiths is the man in charge of all of those. Get it concentrated in the same place - to the best of my knowledge there are no unusual powers given here but just the usual ones necessary to operate this Water Control and Conservation Board.

MR. D.L. CAMPBELL (Leader of the Opposition) (Lakeside): Mr. Speaker, I think that so far as any detailed discussion of this Act is concerned that it can be taken care of in one of the Committee stages. But I rise at this time simply to ask the Minister - he doesn't need to reply immediately and just in case there are other questions I'm quite willing for these answers to be given when he closes the debate - to ask him only if the same Mr. Griffiths will now be the head of what we might call the Water Powers Branch as well?

MR. WILLIS: Yes.

MR. CAMPBELL: And do all of the engineers who have formerly been attached to the - what we might call the Drainage and Reclamation Branch of the Public Works Department and all of the engineers who have been attached to the Water Powers Branch of the Department of Mines and Natural Resources - all of them are transferred to the Department of Agriculture and Conservation?

MR. WILLIS: All of those formerly with the Drainage Board are transferred. Not all of those from the Department of Mines and Natural Resources but part of them, but not all. What empowers anything in regard to water does come here but I don't think we got quite all of them, but most of them we have.

MR. G. MOLGAT (Ste. Rose): Mr. Speaker, before we proceed with this Bill, I don't want to go into details on various items but there's one item which I believe is a question of principle and that is the basis on which the government's contributions will be made to any works undertaken under this Act. I regret that the Bill as it stands now does not have a formula established for those contributions. As I understand it, the power is in the hands of the Minister to make whatever contributions he decides. I think this is not a good principle. I visualize the need for a certain amount of flexibility. I realize that, but I think nevertheless, that a formula should be established within which the Minister could operate; and if that is impossible then at least a maximum amount should be established that would be in the hands of the Minister and the remainder should be up to decisions of the Lieutenant-Governor-in-Council. When we come into the Committee stage, we can have a more complete discussion of this particular item, but I would merely mention this at this time for the attention of the Minister and I think it could be substantially improved in that regard to the benefit of this Bill and a clear understanding on the part of the various municipal bodies that will be dealing with the government under the Bill.

Mr. Speaker presented the motion and after a voice vote, declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 11 - the Honourable the Minister of Labor.

Hon. J. Thompson introduced for second reading Bill No. 11, An Act to amend The Winter Employment Act.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 59 - the Honourable Minister of Health and Welfare.

Hon. Geo. Johnson introduced for second reading Bill No. 59, An Act to amend An Act to Incorporate the Manitoba Hospital Service Association.

MR. SPEAKER: Are you ready for the question?

HON. GEO. JOHNSON, M.D. (Minister of Health and Public Welfare) (Gimli): Mr. Speaker, in speaking to the principle of this Bill, as this House is aware, at the last 1958 Spring Session of the Legislature, the Manitoba Hospital Service Assocation went out of force on the date that the Manitoba Hospital Services Plan came into being. At that time the former Act made provision for the return of the Association funds to the subscribers on a pro rata

(Mr. Johnson, cont'd.) .... basis, and there was much discussion at that time, as I understand it, regarding the disposal of this money and other alternatives - or many alternatives were put forward. However, the Legislature decided that this money should go back to the subscribers. Now ever since coming to office this government has received numerous requests from many sourves asking for reconsideration regarding the disposal of this money and, as a result, unofficial discussions were held with members of the Board of the Manitoba Hospital Service Association and with representatives of Labour. Following this, this Department - Department of Health - met with members of the Cancer Foundation, representatives of the Federation of Labour, The Board of the Manitoba Hospital Service Association with regard to the disposal which this Department had placed before them. Our proposal was in effect that instead of distributing this money back to the subscribers of MHSA as had been arranged, that a concrete proposal might be made to turn this over to the Manitoba Cancer Research Foundation for the treatment of cancer. The reason this suggestion was made is because all cancer treated by radiation is treated in the Greater Winnipeg area and there is a real need at this time for modern up-to-date facilities as the present facilities are definitely becoming inadequate. It was finally proposed that this money be turned over to the above Foundation for the construction of a radiation centre in Winnipeg that would benefit all the residents of the Province of Manitoba. Once established the Government would agree to carry this on in perpetuity. To construct a modern cancer treatment centre and to equip it with this latest equipment, it was determined would cost in the neighbourhood of $1,000,000.00. It was further learned from the former 'Blue Cross' officials that the pro rata share of the money which they expected to have ready for distribution this summer would be anywhere from $1.75 to a maximum of $6.00 per individual depending on the type of contract they held. Also, they foresaw great difficulties in distributing this money because so many former subscribers were now under different employers and half of the addresses of these subscribers were not available. Now this Department could not meet the above groups officially because the Act of the Legislature had directed them in the disposition of this money. However, the feelings of the groups - I think I can say this - aforementioned were that this was a concrete proposal that made sense and which certainly was worthy of the consideration of this Legislature. I might point out that even under the proposed amendment, subscribers who wish a return of their pro rata share may obtain it by making written application within the prescribed period of time as outlined in the amendment. And only after satisfying these demands would the balance be turned over to the Foundation - not for research but for the construction of this facility for the treatment of cancer for all of the residents of the Province of Manitoba.

MR. R. PAULLEY (Leader of the CCF Party) (Radisson): Mr. Speaker, in connection with this Bill, I rise not to make objections to the general principle in the Bill, namely the utilization of the reserve formerly held by the 'Blue Cross', for the purposes of furthering treatment - or furthering facilities in the treatment of cancer. I do question, however, the method by which it appears under this Act. The former subscribers may make application to receive, if they so desire, a refund of their portion of the reserve or surplus. Now the Minister, in introducing this Bill for second reading, has pointed out some of the difficulties that may be encountered in trying to contact the former subscribers. And I can appreciate that in some cases that would be rather difficult, but I think, Sir, rather than this method of advertising in our weekly papers and in the Manitoba Gazette than an endeavour should be made by the organization to send out cards to known previous subscribers. And I would suggest, Sir, that the possibility of a card being sent out to known addresses of former subscribers which would draw to their attention the fact of the desirability of using this for the purpose, which again I have no objection to. And a "Yes" or "No" proposition on the card. I'd have no objection personally to a card saying that - "We feel that it's desirable that this money should be used for the question of a building in respect of cancer research. But if, however, you desire your refund, kindly mark an X and send it back into the Association." I think in that way, Mr. Speaker, the onus would come more on the Association than it would on the individual. Because I think, Sir, that we can appreciate a lot of individuals don't pay much attention even though they're rendering good service - don't pay much attention to newspaper advertisements of this nature. And I think if the direct method was used, and I can appreciate that in many instances people have changed their employment and have changed addresses and they may not be

(Mr. Paulley, cont'd.) .... reached. I think that would be no different, however, than the onus being on them to read the newspaper advertisements in respect of this. And I think that consideration should be given in that aspect. Again, no objections to the principles involved. We have a big fight ahead of us in the world of research for cancer. It's a good purpose. But I do think that the onus should be more on the Association for distribution of its funds than the individuals coming to the Association.

MR. EVANS: Mr. Speaker, I would like to thank my honourable friend for his address in support of the direct mail advertising business on which my own company down town is founded. But I would like to point out just one thing. I feel sure that my colleague has in mind using many forms of publicity, not necessarily advertising. There is one difficulty in mailing direct to each former subscriber and that is that the MHSA, and I speak to remind the members who may not know it that I was on that Board for a number of years, the individual addresses of members of the Association are not known. In the cases of those that joined through employer groups, that is to say, any employee of mine would be addressed at my company and it would then be up to the management of my company to get the notices and so on into the hands of the employees. And so in the cases of common employer groups, the home addresses of the individual subscribers are not known. So that that does limit the scope of any direct approach by postcard in that way. But I feel sure that every effort will be made to publicize this to everybody who can be reached.

MR. D. ORLIKOW(St. John's): Mr. Speaker, we certainly agree with the objective of getting money for research and in the field of cancer, although many people took objection to using the money for treatment of cancer. They felt that that should be the responsibility of the government. I think a good deal of the objection to what was proposed previously and what probably to what is proposed in this method, is due to the fact that the subscribers of the old Blue Cross plan feel, and I think with a good deal of justification, that this was a voluntary insurance plan which they paid into for hospital insurance and that if and when the time was terminated that the assets which still remained with the organization was theirs and should go back to the subscribers.

Now - and this is I think the reason why the objections were made - although the people to whom I spoke certainly had no objections to spending more money for cancer research. I recognize the difficulties which the Honourable Minister and the Honourable Minister of Mines and Natural Resources mentioned in getting in touch with the people directly. Of course, there are difficulties but this, I must say, reminds me of the kind of method which they used to have in the Book-of-the-Month Club. They sent you out a circular telling you what books were coming next month, and unless you notified them that you didn't want the book, you got the book. And this worked very well. People like myself who, as the Honourable Leader of the CCF said, don't watch their mail too carefully, got twice as many books as they really wanted because in that way, rather than having to order the books specifically. I'm inclined to think that a lot of people will simply not see the ad, and it seems to me that if we're going to follow the spirit of what was promised people - whether that's right or wrong is a different matter - but if we're going to follow the spirit of what was promised people, I think a much more direct attempt to get in touch with the subscribers is required than what is proposed here. I have no objections to whatever money, as much money as possible, being used for cancer research, but I don't think the method proposed here, in my opinion, and I'm sure in the opinion of a good number of people who took objection, they will feel that this isn't living up to the understanding they had of what would be done with the money.

MR. M.A. GRAY (Inkster): Mr. Speaker, first of all, I'd like to ask the honourable member a question. Can this Bill be divided by this House approving the amount to go to the cancer research before a referendum so to speak, to be taken, to find out the will and the wish of the contributors? Personally, I don't think that the majority of the contributors are very much concerned to get their five or six dollars returned. I don't think that on the average it wouldn't be more. And there are too many families affected by cancer trouble by one or more members of the family. Each and every one realizes the seriousness of the disease and I don't think there will be one in Winnipeg who would prevent this money to go to the cancer research instead of receiving it to themselves, such a small amount. Personally I think that if the Bill would be a straight forward Bill by having the money, I think the Legislature has the right to

(Mr. Gray, cont'd.) .... do it, I don't know whether they have or not, but I think they have the right to do it, to transfer - or authorize the Blue Cross to do it, that would settle it. But seeing that the Bill has several alternatives, personally I don't care which, but I'm quite satisfied that the public will not object their five or six dollars to go to cancer research.

MR. JOHNSON (Gimli): Mr. Speaker, I would just like to say that there are two things here, the Honourable Member for Inkster has, I'm glad to hear, he feels that the people of Manitoba would not object to the funds being transferred into this foundation. I would point out to the honourable member and the House that the Cancer Foundation in Manitoba is concerned with the treatment of cancer and the Canadian Cancer Society are the body who organize the research activities across the country. One of the most obvious reasons for this is that the National Cancer Society can prevent duplication of research projects by each province, and under the previous Minister of this Department two years ago, they organized the Canadian Cancer Society in Manitoba which is the volunteer fund raising organization and so much money per year is funnelled from the province to the National Society who in turn distributes the research fund, whereas the Cancer Foundation itself in this province is concerned with treatment. I think that answers the Honourable Member for Inkster's question. The intention of this Bill, of course, is to turn it over to the Manitoba Foundation.

Secondly, I would again say that the pro rata share that the MHSA officials have advised me would be the return to the individual subscriber varies from as low as $1.75 to a maximum of just a little over six dollars for the highest amount that a person could receive. I would also point out to the Honourable Leader of the CCF Party that we did think of the various ideas of how best to approach the subscribers and the arguments pro and con were discussed with MHSA officials. However, I would think that if this could be discussed with these people present at law amendments that it would be best debated at that time.

MR. SPEAKER: Are you ready for the question?

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 55.

Mr. Johnson (Gimli) introduced for second reading Bill No. 55, An Act to amend The Hospital Services Insurance Act.

MR. SPEAKER: Are you ready for the question?

MR. JOHNSON (Gimli): Mr. Speaker, this Bill, An Act to amend The Hospital Services Insurance Act implements a number of amendments to The Hospital Service Insurance Act which are felt to be desirable from the point of view of equity, clarity and administrative efficiency in the light of the Manitoba Hospital Services Plan's first year of operation. Some of these amendments are very minor. Others are quite detailed and rather than go over each item at this time, I feel it would be better to wait until law amendments where we can cover each item individually in detail. The changes do not disturb the fundamental principles of the Act but they do provide for changes indicated or necessary in our first year's operation of the plan. I would have the Commissioner and Solicitor to the plan with us at law amendments as for instance one clause, the subrogation clause here, is quite a detailed legal matter and that is the purpose of this Bill.

MR. SPEAKER: Are you ready for the question?

MR. A.E. WRIGHT (Seven Oaks): In view of the fact that some material that I have been waiting for in the mail hasn't arrived, I would ask - I beg to move, seconded by the Honourable Member for Fisher, that the debate be adjourned.

MR. SPEAKER: Who was your seconder?

MR. WRIGHT: The Honourable Member for Fisher.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 12. The Honourable the Minister of Labour.

HON. JOHN THOMPSON (Minister of Labour) (Virden): Mr. Speaker, I move, seconded by the Honourable the Minister of Mines and Natural Resources, that Bill No. 12, An Act to amend The Workmen's Compensation Act (1), be now read a second time.

MR. SPEAKER: Are you ready for the question?

MR. THOMPSON: Mr. Speaker, I believe I outlined in Committee of the Whole the purposes of this proposed Bill. Of course, it extends the coverage under Workmen's

(Mr. Thompson, cont'd.) .... Compensation to include all clerical workers and the employees of wholesale and retail establishments, the employees of hospital and nursing homes and hotels and restaurant workers and the employees of privately owned radio stations. It extends the ceiling from $3,500.00 to $4,500.00; it removes the statutory bar of one year and it does, in fact, all of the recommendations which were made by the Royal Commission inquiring into this subject. The Bill in itself goes further than the recommendations which were made in one respect, and that is the payment of benefits to widows and dependents and orphans which are now increased under the legislation which is before us to $75.00 for widows per month, $45.00 for orphans and $35.00 for dependents. But I should mention, Mr. Speaker, that the Bill does not include an additional proposal which we are intending to implement at the same time the Bill is accepted, if it is. We are proposing to set up a medical appeal board. Mr. Justice Turgeon did not recommend such a board in his report. But we feel that such a board would be in the interests of those who come under this legislation and we're proposing to set up the board.

The reasons, Mr. Speaker, that the Bill does not include the provision setting up a medical advisory board are that under the existing Act, under the present statute there is authority to set up such a board. And so, by Order-in-Council, following the acceptance of this legislation, we propose to establish a medical advisory board. Now we have examined - we have examined similar boards in other provinces of Canada. We have examined closely the form of appeal to Workmen's Compensation decisions in British Columbia. And there we found that they had set up a one man Appeal Board and this board has not worked satisfactorily apparently, because, I understand that the recent session of the Legislature of that province they have changed their legislation in that respect and removed the one man appeal board. We also have examined the legislation of Nova Scotia and New Brunswick which are in the process of establishing appeal boards. In Nova Scotia they have established a three man Appeal Board with the provision that the employee shall not have the right to name a member of that board. Our proposed Order-in-Council will establish a Medical Appeal Board or advisory board, if you wish, of five members, two of whom will be named by the Medical Association. One will be named by the employee; one will be named by the employer if he wishes to name a person, and one will be named by the Workmen's Compensation Board.

Under this proposed change in Workmen's Compensation regulations, every man, as of right, will have the opportunity of an appeal. At the present time I understand that it has been in some cases the policy of the Workmen's Compensation Board to refer their decision to a medical appeal board. It has been left entirely to their own discretion. The proposed change says that as of right -- as of right, every person who is an appellant or who is a complainant or who has a case before the Workmen's Compensation Board will have the privilege of an appeal whether the Board itself so determines or not. And so it is left entirely in the hands of the workmen and this Medical Appeal Board of five persons will make the decision and recommend their decision to the Compensation Board. I should point out that this Appeal Board will not give the final decision. They are an advisory board. They will not have the right to determine the final result of the case, but they will recommend - this medical appeal board will recommend to the Compensation Board their findings on each individual case which is presented before it. And the Compensation Board will have the option of accepting the recommendation or not. We feel that if a panel of five medical men decide that a certain case should be determined in a certain way, that it would be natural for the Compensation Board to accept their recommendation.

MR. ORLIKOW: Mr. Speaker, this Bill changes and increases the benefits to be paid to people who suffer as a result of injury. And in as far as it does this, of course, it is an advance, but at the same time it seems to me that this Bill continues a basic weakness of the old Bill - and that is this, that a person who is injured, or the dependent is entitled to 75% of the earnings at the time at which the injury took place. Now this is not bad today, but to anybody who has met people, either workers who were injured or dependents of workers who were injured in the past, or killed, you will find many cases of people who are drawing compensation cheques of $30.00 a month, $40.00 a month or $50.00 a month. At the time when the injury took place 10, 15, 20 years ago, this may have been adequate and fair compensation. But since then we have had a situation where the cost of living has doubled, wage rates have

(Mr. Orlikow, cont'd.) .... gone up accordingly and yet these people are expected to continue to exist on exactly the same cash benefits which they were awarded at the time of the injury. Now it's true that this Bill increases the amounts which may be paid, but the minimum amounts are still very small. The cost of living continues to go up from year to year and there doesn't seem to be any trend which would indicate a change in that. Wage rates are going up and so even assuming that the present rates are adequate for today, if we forget for a moment those people who are still suffering because of the fact that their rates are being paid - were based on injuries and wage rates of 15 or 20 years ago. Even assuming that this brings it into line for today, I suggest, Mr. Speaker, than ten years from now people who are injured, and get benefits based on 1959 rates, will be in the same position as people who were injured 10 or 15 years. The cost of living will have gone up. The wage rates will have gone up and they will be tied for the awards made this year or next year. It seems to me that if this Bill is to be equitable, it ought to be amended in such a way to provide that the benefits paid to a person injured or to their dependents would be variable and would go up as the cost of living or as the wage rates in this province go up.

I have one other criticism of this, Mr. Speaker, of this Bill. In this Bill we are providing as in most provinces for a maximum payment in the case of dependents who are paid where there is the death of a workman, providing for a payment of 75% of earnings. Now this is in line with what is now done in, and I'm quoting from the Provincial Labour Standards of October 1958, as issued by the Federal Department of Labour in Ottawa: "Newfoundland now pays 75% of earnings, Prince Edward Island pays 75% of earnings; New Brunswick pays 75% of earnings; Quebec pays 75% of earnings; and so does Manitoba." Now, here's what they say about Ontario to the east of us and Saskatchewan to the west of us. They now pay the average earnings - in other words they pay the dependent in the case of a death of a workman, the compensation is based on the average earnings, not 75% of earnings, but average. Now, I want to suggest to the Minister, Mr. Speaker, that there is no magic in the 75% figure which we provide. That's something which has been increased as the years go on and I think that we could well follow the example of Ontario and Saskatchewan and provide for payment of the average earnings rather than 75% of the average earnings.

MR. E. SCHREYER (Brokenhead): Mr. Speaker, after reading this Bill No. 12, it could be said that the provisions contained therein certainly are laudable provisions. I think that the government deserves some amount of commendation for providing for these provisions along with, as the Minister mentioned today, provisions for a Medical Appeal Board, through Order-in-Council. But, Mr. Speaker, I think it could also be said that although this province is trying to keep near the top in respect to labour legislation and particularly compensation legislation, although they are trying to do that, they are still not quite ready nor willing to take the lead among the provinces, because as the Member for St. John's mentioned just a few moments ago, certainly some definite undertaking should be made by this government to provide for more adequate payments to those people, to those workers who were unfortunate enough to be injured a good many years ago.

I know of specific cases where men injured just prior to World War II and found then to be two-thirds disabled under the Compensation Act, are receiving payments today based on what they were earning then, and certainly it doesn't bring them today anything near fair or living payment. Certainly something should be done in this respect. And then again, I have one other matter which I would like to draw to the Minister's attention and that is the matter as regards the dependents of compensation widows. As I understand it, dependents of compensation widows in this province qualify for compensation payment up to the age of 16. Now that is perhaps quite all right, but in cases where these dependents would like to go on to school or university, it would seem no more than fair, and it would seem like not asking too much to have some provisions made in subsequent legislation to provide for continuation of dependent payment to those children up to the age of 19 who are carrying on with school.

These are the only matters, Mr. Speaker, which I wanted to voice at this time and certainly I hope that the Minister has some comment to make on this.

MR. SPEAKER: The Honourable Minister is closing the debate.

MR. THOMPSON: Mr. Speaker, the only comment that I can made at this time is to say that we have adopted all of the recommendations of a commission of enquiry into the entire

(Mr. Thompson, cont'd.) .... subject which heard briefs from all interested parties and took some considerable time to give its decision. We have accepted all the recommendations of this commission and we have gone further in some respects. I do not wish to infer, however, that we are closing the door to further changes. The door will always be open to changes and we certainly will take the suggestions which have been made by the honourable gentlemen into consideration.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 13. The Honourable the Minister of Labour.

Mr. Thompson presented for second reading Bill No. 13, An Act to amend The Workmen's Compensation Act, (2).

Mr. Speaker presented the motion.

MR. THOMPSON: Mr. Speaker, this was, I believe, fully explained. It purely puts into the statute the coverage of all the Crown employees in the right of the Province of Manitoba which have been - which have had coverage under the practice of the government. But this clarifies the situation and gives them the right under the statute itself.

Mr. Speaker asked the question and after a vote declared the motion carried.

MR. SPEAKER: Committee of Supply.

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Agriculture, 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.

Mr. Speaker presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply.

MR. SPEAKER: Would the Honourable Member for St. Matthews take the Chair?

MR. CHAIRMAN: The Department of Health and Welfare.

MR. JOHNSON (Gimli): Mr. Chairman, there were a few questions that I feel should be answered, that came up in my estimates to day in the health estimates. And I said I would get this information. (1) How many children are there waiting to get into the Portage la Prairie Home, the Portage Mental Hospital? There are 156 boys and 119 girls on our waiting list. The other question, I think I probably gave the House the wrong impression concerning the supply for the psychiatrists in the province. And I would just like to bring that into perspective that at the present time there are 27 full-time doctors in the service in our mental hospitals, 14 of whom are fully qualified as specialists. We also determined there are 40 psychiatrists altogether in the province - that's including the men in our mental institutions.

And the third question I think should be clarified, I think, for the House was, the Honourable Leader of the Opposition mentioned this differential in premium that required from the RCMP and members of the armed services. And it is a federal requirement that the premium to these men cannot be more than 75% of the premium to the rest of the population, and we just had to fall into line. That worked out to 308 but for administrative expediency we raised it two cents. Those were the three questions I would like to clarify before going on.

MR. PAULLEY: .... but if I may following the answers given by the Minister. I noted in the press that that portion of the debate on the 3.10 was covered. I just want to make it clear, Mr. Chairman, that I wasn't objecting at all to the $3.10 rate being paid by the members of the armed services and the RCMP. But my whole point was that particularly with our old age pensioners and our elderly citizens where the young folk have either gone into politics or into marriage, and left them, and they are just remaining the two of them, that if that consideration is given even though it is done under federal regulations, that it seemed to me to be unfair that one would be having to pay the full rate of the $4.10 for just a couple, whereas other members of another group, shall I say, were getting similar coverage for $3.10. And that was my whole point.

MR. CHAIRMAN: Preventive Medical Services. Item (f) Manitoba Cancer Treatment and Research Foundation.

MR. PAULLEY: Mr. Chairman, in this connection I would like to say a word or two. I think more and more we are coming to recognize that in the dread disease of cancer, we are having to more and more recognize the terrific personal burden which this disease can create. I'm sure that of all of us have come into contact with friends or relatives or neighbours who

(Mr. Paulley, cont'd.) .... have become victims of cancer and that there is a lot more can be done in respect of cancer than is being done at the present time. I realize quite fully, that insofar as the medical profession itself is concerned, that it is lending its efforts in an ever-increasing manner to find solutions and treatment for cancer. And I think, in all fairness, Mr. Speaker, we should commend the profession for the job that they are doing.

Just a few moments ago, we were talking of the disposing of the funds of the Blue Cross for the purpose of a building for research purposes in cancer. But I think here in the Province of Manitoba there is a lot more we can do. Now, I know that many in this House and outside and maybe properly so in some degree, criticize us of the CCF because of the fact that we hold up as a good example our sister province to the west, Saskatchewan. But I think, Sir, that it is being generally recognized that in the field of cancer that the Province of Saskatchewan has come to the fore. There they are providing free cancer treatment to anyone who has the disease. We recognize, as I mentioned earlier, the tremendous financial burden on individuals and families afflicted by this. I think that in Saskatchewan, through their program in cancer, they have been able to achieve some things which we still lack in many other parts of the country.

When we talk of cancer generally, we talk about it with hushed voices. It seems to be one of those diseases that if anybody feels that they have cancer or are likely to have cancer, they are very reluctant to talk about it. It seems to me that there even is a reluctance of those who figure that they might have cancer, to even go to a doctor to be analyzed or to be examined for the fear that they have cancer. Now I think that in that particular field, we can do a lot. And the cancer societies are doing a lot. But I think one of the reasons that people are reluctant to face up to the fact of cancer is to a considerable degree the financial implications of cancer. And as I say, in the Province of Saskatchewan they have tackled this problem with a considerable amount of success.

Now we look at our estimates here in the Province of Manitoba and we find that the total expenditure of the province is $196,221.00. I would like, Sir, to just compare that for a second with the expenditures for the same fiscal period as we have under examination here in Manitoba. In Saskatchewan, their anticipated expenditures in respect of cancer is $1,337,400. According to the Manitoba Cancer and Treatment Research Foundation's Annual Report of year ending March 31st, 1958, the last copy that I have, in respect of the treatment of cancer it mentions a service which was set up in 1951 by an agreement by the Manitoba Medical Association and the Institute which was designed to facilitate the admission to hospital of medically indigent rural people suspected of having cancer. And it appears to me that it is only those who are declared medically indigent who receive the care and treatment without further payment of fees in respect of cancer.

Now, Sir, in the Province of Saskatchewan, there are two major cancer clinics, one at Saskatoon, and the other at Regina. And at these two clinics, the services of the cancer clinics for both diagnosis and treatment, are furnished at the expense of the Cancer Commission in Saskatchewan, free to all residents of the Province of Saskatchewan who have resided therein for at least six months. The payment of hospitalization of cancer patients is the responsibility of the hospital services in Saskatchewan which would be similar, of course, to that which we now have here in the province. Now there is a great deal of co-operation in Saskatchewan between the various, the Cancer Commission - the Saskatchewan Cancer Commission and the family doctor. The Commission still adheres to its initial conception that the ultimate success of a province-wide plan of cancer management, is dependent upon the partnership and co-operation of the family doctor. He is the first and most important deduction centre, and all patients coming to either clinic are required to be referred there by him. In other words there, that a patient who suspects that he may have cancer just simply doesn't turn up at the door of the clinic and is admitted, but it is through his family doctor that he gains admittance to the clinic. And then in Saskatchewan if, after diagnosis, it is found that the suspected cancer is not cancer, the examination fees are paid by the patient themselves. But if it is discovered that it is a cancer then all of the treatment, including the original examination and diagnosis, are paid by the fund as a whole. Each clinic has a roster of surgeons in private practice for the purpose of consultation, and for referral of patients for surgery when patients have no particular choice of surgeon. Medical specialists are consulted as well when occasion demands. Authorized medical and surgical services rendered to clinic patients by doctors in

(Mr. Paulley, cont'd.) .... private practice are paid by the commission on a fee for fee basis, in accordance with the current schedule of fees of the College of Physicians and Surgeons of Saskatchewan.

So I say, Sir, that not only have they set this up in Saskatchewan on a free treatment basis, but they've also retained a great degree of co-operation and understanding with the medical profession itself. There hasn't been apparently any incliniation to do what is often feared by our - some of our medical friends - socialize the doctor - there is still that doctor-patient feeling of friendship and understanding which is a very good thing.

But in addition to the treatment, the free treatment of cancer, supplying of medical and surgical services, also in Saskatchewan they have social workers in conjunction with cancer. The Saskatchewan division of the Canadian Cancer Society provides funds for a social worker attached to each clinic. This worker assists the medical and nursing staff in the care and comfort of cancer patients, being particularly concerned with their social and psychological needs. And I think that is very, very important because I think we've all seen too often, many time we understand why, but we see too frequently the psychological effects on an individual of being told that they may have cancer.

And then, of course, as we are doing here in the Province of Manitoba, there is a continuous program of lay education carried on mainly by the Canadian Cancer Society in co-operation with their departments of health education in their Public Health Department. Each clinic has a full-time medical nursing and clerical staff and also other professional staff in connection with it. I think that here is a field in which we in Manitoba can take a lesson, take guidance from our sister province to the west. One of the things that I would suggest to the Minister if he has not already done it, is to thoroughly analyze what they are doing in this respect in Saskatchewan, particularly in connection with the free treatment. I think it is recognized generally that as far as Saskatchewan is concerned, in the treatment of cancer that they have been one of the foremost provinces in cancer researches in Canada, if it's not in the whole of the North American continent. I would suggest that one of the reasons that Saskatchewan has been to the fore in that, is because they early recognized the individual burden of this disease on their population, and it gave them an added incentive to make research. Possibly some of that due to economics, because the more people, as I understand the disease, are treated early, the less the cost both in terms of money and in human suffering.

And I would suggest that we have proposed this in this Legislature on many occasions, that if in the field of health the Province of Manitoba is desirous of adding to its advancement in the field of public health, the Minister should give earnest and serious consideration to the advancement in the Province of Manitoba in the field of cancer and instituting a similar program that is at present in our sister province to the west.

MR. P. WAGNER (Fisher): Mr. Chairman, I'll be very brief, but to substantiate what our leader has just said, I believe the Honourable Minister is aware of some cases, but I will just deal with one case in our area what happened to a family. In 1956, a farmer felt sick and he went to Winnipeg to see a doctor, and the doctor diagnosed him and told him that he's sick and no doctor will tell a patient that he should be treated for cancer, so he's coming into the hospital and then he let him go home. The man is sick again. He goes back in and to and fro - he paid his hospital bills, he paid his medicine, he paid his doctor. From what resources he was paying those bills? He was selling the last cow, the last sheep that he had on the farm, the last poultry, the last can of cream he had. So what happened - he ran short of money, he still is sick. He continues to go to the hospital to see the doctor and already his bill accumulated to round figures $1,000.00. Finally he died. The $1,000.00 is left against his property due to the fact that he was treated for cancer. Now the family is left, two children, a girl of 12, a boy of 18 and a sick mother with asthma. They try to live on, to carry on, but already the father has took everything from the farm paying his doctor bills and medical bills. What happens? The mother dies within the month from asthma. These two children are left with no income whatsoever. They came for my advice, and I went to the Health Department, to the Welfare Department and the girl qualified for assistance. That's welfare assistance going against her estate, what is left of the estate. Now the $1,000.00 that cancer treatment is going against the estate. The boy is planning to pay the welfare assistance, he's planning to pay the cancer treatment which I doubt very much that he will be able to pay due to the fact that

(Mr. Wagner, cont'd.) .... he has hardly anything to live on himself. But if the father could have been treated on free treatments, the father did not have to take what was left for the family and sell to pay his doctor bills and treatments. This boy now would have had something to live on and he asked me what he should do. I don't know whether I suggested to him right but I didn't tell him to take my word for it, but I says look, "By the time the girl grows up to be a ladyhood that she can carry on herself, by the time you will be able to bring that little property of yours back to shape it won't be even worth it. Leave it to the welfare people and let them take the whole 'shebang' and you go out and find some other employment" - because due to the fact that possibly if the weatherman holds on the way it is now, this boy has no future except pay debts.

MR. JOHNSON (Gimli): Mr. Chairman, in this appropriation for the Manitoba Cancer and Research Foundation, I would first of all point out that as you can see in the estimates, the coverage re hospital plan, the Cancer Foundation's - we are able to claim through the hospitalization for in-patient services to cancer patients in hospital the sum of $173.85 and although our total is down from $243,000.00 to $196,000.00, this represents $57,000.00 more this year than last year in provincial funds, that is, taking out that 107 as in-patient services and that increase this year over last year's budget was - $35,000.00 was necessary to recharge the two cobalt bombs which we have in Winnipeg, one in the St. Boniface Hospital, one at the General Hospital and an increase in our biopsy service. They expect another six or seven hundred more specimens this year because of increased policy, and also it has been .... by the radiotherapists that when they prescribe and have the patient go to the out-patient drug booth in the hospitals to pick up their medication that there sometimes is misinterpretation in the special medications that are given such as nitrogen mustard and other drugs, and they can therefore -- they appropriated $35,000.00 this year -- or $3,500.00 for drugs where the radiotherapist feels that he would rather given them out in the clinic rather than have the patient go to the drugs department.

Now I've listened with interest to what the honourable gentlemen have said, and it boils down, in my opinion, to the fact that we should meet the needs of these people to prevent the catastrophic type of thing which happens to victims of cancer, and I think everyone in this House is most interested in preventing such catastrophic occurrences. I do say, that there's much merit in everything that has been said and it's the truth. I do feel that in the field of cancer the education, public health education which is going on and has gone on, has been very effective, and it's only through public health education that one can overcome these fears. In individual cases, it is true that a doctor does not tell a patient he has a malignancy. I think this is especially true of older people where there is nothing to be gained by this revelation, and in practice, they don't want to hear it. In the case of young men or young people who have responsibilities and families, I think there are few physicians practising today who do not feel it's their duty to explain this to their patients. But I do make a plea that it is not that the cancer treatment in Manitoba is inferior to elsewhere, we should be proud of the treatment our patients do get. They are doing a Herculean task at the Cancer Foundation at this time in the quarters - they're bulging out of them with growth and with demands for modern therapy. They are ready to expand; they will get our whole hearted support in this expansion. I do feel that besides public health education the other answer lies in early recognition and treatment. That lies with the rural practitioner who, the family doctor as was pointed out, who often sees the patient first. If he misses an early malignancy, it's often too late by the time they get to a specialist.

That is why this college places so much emphasis in their younger - in the graduating student, that he be well trained in the early recognition. I don't think or know, in my experience, of one case where if I recognize cancer in a patient and I phoned a surgeon or made arrangements for treatment, that that patient didn't have the benefit of the finest surgery and the finest radiotherapy that money could buy.

The Old Age Pensioners themselves have told me that the out-patient's department in this hospital - in our hospitals are their best friends in the province. I think that we have to - first of all if I don't say it I feel it should be said, that over the years these men have made a tremendous contribution to the province, to those less fortunate, who have required treatment. I do agree with the Leader of the CCF Party in saying that we musn't let people feel that they

(Mr. Johnson, cont'd.) .... are second class citizens. I think the time has come when all of us in this House must recognize that the fear of large and catastrophic bills in some instances where we haven't reached them with education and prevention, early recognition, where we haven't reached them that they're liable to deter coming in for therapy. But I think now it's rapidly becoming the exception rather than the rule and I do feel that everyone in this House wants to see that underlined, and I think that we will be making rapid strides in that direction in the next short while.

MR. PAULLEY: Mr. Chairman, before we leave this discussion I certainly don't want to leave the impression that I didn't think that the medical profession in Manitoba were not facing up to the challenge and doing their job. I agree with the Honourable the Minister of Health that insofar as the medical profession is concerned in the treatment and diagnosis of cancer, that they don't have to take a second place to anybody. I also agree with him that insofar as our out-patient services are concerned, that the valuable services being rendered to those who do not have to undergo surgical care, or they go in there as the result of -- for after surgical care, and that is being done.

I recognize all of that, but there's one thing that apparently the Minister and I don't see eye to eye on, is in the financial aspects of the case. He mentioned catastrophic expenses in reference to the treatment of cancer. I know of two or three cases where individuals and families who have had the experience of going through treatment for cancer and the financial costs were so tremendous that where they started out to all outward appearances of being people in reasonably well circumstances, financial circumstances, that as the result of prolonged treatment for cancer, and I'm sure the doctor will agree - the Minister of Health will agree with me that in many cases the treatment or the duration of the disease is over a period of considerable months if not in some cases years, with its adherent financial loss, so -- and what made me say what I'm saying at the present time, is because of the one or two pieces of legislation which we've passed previously. We handled cases where it appeared as though they were medically indigent to start with.

My point -- one of my points in connection with the treatment of cancer, that in many cases the individuals affected or concerned to start out, being in fairly comfortable circumstances and as the result land up as indigents, and I suggest that that is not happening in Saskatchewan due to the fact that they have a different approach. In other words, it seems to me that the big difference between the approach of my honourable friend the Minister of Health and the authorities in Saskatchewan is simply this: That where it is true that in the Province of Manitoba, if you're a medical indigent to start with, you can receive all of the treatments. In Saskatchewan, you don't have to be a medically indigent, because as we all recognize, this disease affects anyone, irrespective of their financial circumstances, but it is one of those diseases, due to the necessity in many cases of prolonged treatment, can rapidly exhaust savings and the likes of that to the individual. So I suggest, while I agree most heartily with the doctor insofar as medically indigent patients are concerned at the present time, and that the rural doctor as well as the local doctor, the city doctor, are not throwing patients away because of the fact that they haven't got the funds. But it is that type of a disease which can make the relatively well off person a pauper to use that term very, very broadly. And they're overcoming that in Saskatchewan, and that is the direction that I think that we should do - take here in the Province of Manitoba. Let's not just simply say that we're going to give all these treatments to the medically indigent if he requires them, but let's take the broader viewpoint of preventing indigency as a result of the terrific - and I think the Minister of Health will agree with me that invariably the treatment in respect of cancer is a very expensive undertaking, and it's one of those things that I think could well and properly be considered as an expense of the peoples as a whole, rather than an individual who may be afflicted with this terrible disease, and I agree, too, in conclusion, Mr. Speaker, with the Minister of the educational program that is going on by the Canadian Cancer Society in our own Foundation here. But I don't think we're doing enough yet, and while I appreciate his remarks insofar as the expenditures included in the budget, may be an advancement over the year before, I suggest until we'd make it a considerable advance and get on what I might say as the right track in respect of the treatment of cancer, it's not sufficient.

MR. ORLIKOW: Mr. Chairman, I don't think anybody would question the Minister

(Mr. Orlikow, cont'd.) .... when he suggests we have adequate facilities for diagnosis and treatment of this disease in this province, but I certainly would disagree completely with the suggestion that people are not in many cases put into extremely difficult financial positions because of this illness. It's true that people can be looked after, the Minister's mentioned anybody who was indigent can attend the out-patient department of one of our large hospitals, and it's true that people, and a very large percentage of the people living in the cities at least, belong to the Medical Service. In that case, of course, where you have cancer, the Medical Service pays and pays very substantially and I'd suggest to the Minister that possibly one of the reasons that doctors only get 70% of their fees is because of the -- largely because of this particular illness which in Saskatchewan is paid for by the government. But in the case of many people, this is particularly true of the people in rural areas, who are not covered by Medical Service, this becomes an immediate charge upon them or their families. The Honourable Member for Fisher mentioned one case, I'm sure that the Minister who comes from a rural constituency and who is himself a doctor knows that there are many people who are.... .....by these tremendous bills. Either they pay it themselves which I think is completely wrong because the cost can as the leader of this group has already said, take people who are comfortably off when they begin, and make them into paupers. It can be a drain, a direct charge on their estate if they die, or they can pay for the next ten or fifteen or twenty years, or else and here again I think it's completely unfair, or else the individual doctor who knows that the patient hasn't got the money to pay can carry the burden, and this again I think is unfair. It's unfair to expect the medical profession to carry the cost of treatment of this dread disease as individuals. The people of this province ought not to expect the medical profession or any other group to make that kind of contribution, and it seems to me that this is one service in which we should be very well advised to accept the responsibility for the treatment and diagnosis of this disease completely, by the people of the province through the Provincial Government.

MR. JOHNSON (Gimli): Mr. Chairman, it seems I said the wrong thing. What I was trying to say is that at this stage we have hospitalization provincially, we can not hope to see too much there in the future. Most radiation therapy is available, in other words what about creating indigents out of people because they have cancer? What I'm trying to say is that - and I tried to say when I was up, is that we don't want this to happen, nobody in the House wants this to happen, we don't want people to feel, to become indigent because of this type of thing. Therefore, we are prepared to try and do something about this problem, but I would say with all due deference and with all human concern for those with cancer, what is our biggest killer if it isn't hypertension and diseases of the blood vascular organs? 80% of our death certificates are caused by this dread disease. I feel that that creates indigency also. I therefore, feel that we should meet these situations with a more general policy, and that is why I don't exactly adopt in total the Saskatchewan formula. However, that's just a philosophical academical statement.

MR. CHAIRMAN: (f) (1) Passed. (2) Passed. (3) Passed. Item G (1) Passed (2) Passed. (3) Passed. Section 4 (1) Passed. (b) Passed. (c) Passed.

MR. PAULLEY: How is the situation with regard to tuberculosis now, possibly if I'd read the review, Mr. Chairman, I'd have got it but I didn't. I might mention, the other day we seemed to be on the right track with more and more beds becoming available in our sanatorium. I'd just like a comment.

MR. JOHNSON (Gimli): Yes, Mr. Chairman, our estimates in the Department here on tuberculosis. Item (a) is the Central T.B. Clinic which is a registry for the province of tuberculosis, with a nurse and clerk, staff supplied there. The per diem - although we have - we're budgeting for less patient days this year, the per diem cost of the institution went up from $6.70 to $7.20, and whereas last year we budgeted for 139,500 patient days in our sanatoria, that will be down - we're budgeting this year for 125,000 patient days at the new rate of $7.20 due to increased costs of food and supplies and that is why that is down somewhat. The grant of course is 227,000, is the Federal Tuberculosis grant which leaves a net outlay to the province of $993,000.00

MR. GRAY: Mr. Chairman, the progress which has been made in the treatment of tuberculosis the last twenty-five years in this province is almost amazing. I think we should be very proud of the work done in the last quarter of a century. If you read the figures, the

(Mr. Gray, cont'd.) ....death rate twenty-five years ago, twenty years ago and the death rate now, not only the expense of maintaining the patients in the hospitals but also the loss of revenue, the loss of income to the home, sometimes has to be taken care of also by the state, so I should respectfully suggest that ....small - that is the death rate now has been reduced so greatly that they should not encourage the Department to spend less money, let's carry on until we eradicate the whole thing.

MR. JOHNSON (Gimli): I would like to say, Mr. Chairman, that this budget here is part of the total budget of the Sanatorium Board. They have the Christmas Seals, the Commercial Travellers, where they do the mass survey and then of course the Federal Government pays the whole per diem cost of Indians, Eskimos and D.V.A. patients in our sanitoria. The story in tuberculosis, of course, is a very good one, as the Honourable Member from Inkster has said. The number of cases in 1935, the rate of deaths per 100,000 was 60.8. And in 1958 it's an all time low of 5.1, and the total deaths were 40 and they were 33 white and 7 Indian. Of course the rate amongst the whites is 4.3 per hundred thousand today and the rate amongst the Indians is 36.2 per hundred thousand. Last year it was 114.4 and in the case of whites last year it was 6.3, now 4.3. That's a very good story.

MR. CHAIRMAN: 4 (d) 5. Maternal and Child Hygiene (a) Passed. (b) Passed. (c) Passed. (d) Passed. (e) Passed. (f) Passed. 6. Public Health Nursing (a).

MR. GRAY: Under Public Health Nursing are there any health nurses ever visit the old age pensioners.......yes, living alone. Or are there any programs for it? - Or is there any program for it?

MR. JOHNSON (Gimli): We -- there are 83 nurses in the provincial departments, about 35 of these nurses are in the central office, and about 58 of the Public Health Nurses are distributed amongst the various Health Units in the province, and these nurses in the central office in the Health Unit certainly do visit pensioners. In the central office, in the case of the institutions for the aged and infirm, the nurses from the central office visit these homes for the aged throughout the province and make recommendations, or reports, to the Department concerning the state of nursing personnel and the type of care given in these institutions. Also central - the Health Unit nurses again, as I say, are the ones that do some work in the field, besides immunization. Also in the central department, they look after the individuals who are not in Health Units. When we are called upon to give nursing services, we have some of these nurses available for that purpose. We also have in the central office in remote areas, or in areas that are not in Health Units, who require a fulltime nurse, such as Grahamdale, there is one in Brooklands - they come out of this Department. We have another one of these girls doing nothing but T.B. follow-up in the country; she will often visit a number of these older people, and these nurses, of course, also help doctors and clinics throughout the country, again where there are no Health Units. Of course, where ever there is a Unit there are nurses.

MR. CHAIRMAN: 7. Hospital Services. (a) Passed. (b) Passed. (c).

MR. CAMPBELL: Mr. Chairman, is this the item under which any general discussion on the Hospital Plan would be appropriate?

MR. JOHNSON (Gimli): Yes, Mr. Chairman, in this connection, I think I'd like to run down these items to give members of the Committee some idea of this appropriation. Now last year, as you notice, 3.6 million dollars were expended - was budgeted for in this connection, and the Hospital Plan came into effect half-way through the year. Now in Item (a) and (b), we budgeted, at the time these estimates were made up, for $47,000.00 in salaries and $16,600.00 in supplies because this dual hospitalization which is now largely falling out of existence will be - was to be the standards division of the Plan, and we transferred the accountant from this item into the General Administrative Department of the Department of Health and Public Welfare, which left us with the Director and 5 clerks. Then we sent one of -- two of the clerks over to the Plan where they could be utilized in this connection and we have been recruiting the Standards Division of a pharmacist, two public health nurses and two dietitians for our Standards Division under the Plan. Since these estimates were made up, I have every reason to believe that these two Items might be paid out of Federal Health grants, if the Federal Government would consider our Standards Division as eligible for grants, if we put the Standards Division under the Plan. And this has been the practice in other provinces and I feel that the Standards Division should be under the Plan because if the Plan is paying most of the expenses of the hospitals we should

(Mr. Johnson, cont'd.) .... have our Standards Division allied to this. And, therefore, those two items might be largely meaningless by the -- as we go along.

Number (c) - 7 (c) - Hospital Aid to Municipalities. This was the large item where the hospitals were reimbursed for indigent care, and we left a $10,000.00 cushion there for old bills which might come in afterwards.

The Item (d), Availability Grants, were grants that were made to hospitals up to 16 beds prior - previous to the plan; teaching grants were made for indigent days in each of the teaching hospitals and special grants were grants that were available to certain smaller hospital units. Now, I would explain at this point that this came to a total of $230,000.00 but on April first last an Order-inCouncil was passed which made this Item, Grants to Teaching Hospitals for Out-patient Services of $387,000.00. - $397,000.00 altogether. The Department, under the Minister at that time, wrote all the hospitals in the Greater Winnipeg area - or the municipalities, I should say - and explained to them that now that the Hospital Plan was in operation they - there were certain - the Plan did not cover the medical care and treatment and social services and so on given to indigent patients at the out-patient clinics, and that rather than be billed on a usage formula, that each municipality, depending on its size and so on, be asked to contribute a small amount to the out-patient department. And that was accepted unanimously by the municipalities, and a total of $68,000.00 is granted by all these municipalities surrounding Winnipg, and that plus the '397' here, is given to our three teaching hospitals to provide this medical and out-patient service to all these people in this area and outside. We again - this has proved so successful that again this year we have written to all these municipalities and their grants are from $100.00 to $1,200.00, depending on size, and as I say, they are pleased with this arrangement. Now again, Hospital Care Provincial Patients, Item (e) is dropped. Hospital assistance - this was the long term 180 day clause; that's dropped except for the above item for token bills that may come in.

The Red Cross nursing service in northern areas, $3,000.00. Up until recently the CNR — the Red Cross Society shared 50 percent with us the provision of a nurse who used the car, a railway car, going up on calls along the northern line. With the industrialization and the opening up of the north, it was determined by this nurse and staff in the north that she could do the same job making a sojourn up the line on the regular train, and stop off at certain places to do her immunization clinics. And again the Red Cross agreed to go 50 percent with us on her salary and supplies for that nurse, and this nurse would come under our Northern Health Service. There is, therefore, a slight drop in the amount of money paid for that service in view of it no longer being necessary to have this car.

The Hospital Rate Board goes out, and I can inform the House that up until the 30th of June last year we had expended 1 million, 7, of the monies listed here towards the budgetary items listed in these items before you. From the first of June until the thirty-first of March, we had transferred to the Plan 1.4 million dollars. This, of course, left a small difference of around a $100,000.00, and some of this money, $28,000.00 of it was used, was appropriated to the polio program when we didn't require it here, and $56,000.00 went to - went for our Lab. and X-ray units which we're expanding in such vigor, and this largely looked after this total appropriation. We have for the coming year an estimate - "guesstimate" of $3,000,000.00 to subsidize the Plan in this coming year, and that is made out on the former basis that was determined at the inception of the plan of approximately $250,000.00 a month that would be required. As the members of the House will realize, this is the money with which are paid the bills for recipients of public assistance. It was felt that the province should show liability here by paying the full per diem cost of care for these people in order to facilitate the Plan's success in the province.

MR. CAMPBELL: Mr. Chairman, I think that was a very interesting and informative statement that the Minister has given, and it's certainly interesting to me to see that with the changes that have taken place as a result of the introduction of the Hospitalization Plan, that this Item, as he has mentioned earlier, is actually reduced by a substantial amount. I don't know that I should ask him to estimate into the future, but if that's a fair question, does he think that it will continue under the Hospital Plan to stay a lesser cost to the taxpayer of Manitoba than the continuation of the other Plans would have been? In other words, will the operation in the future, continue to be as satisfactory as it appears to be this year? That may not be

(Mr. Campbell, cont'd.) .... possible of a reply and certainly it's only a "guesstimate" at best. I was going to ask as well as that, what is the basis on which the - this amount of money plus what the suburban municipalities contribute, is allocated to the teaching hospitals?

MR. JOHNSON (Gimli): Mr. Chairman, last year the municipalities contributed $68,000.00 and we contributed - the province had $397,000.00 appropriated, and that gave a figure of $465,000.00, and this was given monthly to the three teaching hospitals, proportionate to their operational cost. Now the budgetary division of the Plan have gone - went into each teaching hospital and determined exactly what the needs were and this was given on that basis, and last year I can tell you that, for instance, the St. Boniface Hospital received $10,000.00 a month for this service and the Children's Hospital $10,000.00 a month and the General Hospital $18,000.00 a month. It's possible it might be a little less this year.

Now on the other "guesstimate" as to what the future holds in the Plan, the premiums will be held this year, and I think possibly for a short period, but I would anticipate a slight five or six percent increase in our general expenditures in the Plan in the coming year, largely due to increased salaries and staff.

MR. CAMPBELL: Mr. Chairman, I wonder if - this again may be very difficult to get the figures for, but I was wondering if the Minister could tell us approximately how many municipalities are guaranteeing the hospital premiums of indigents, and whether there are some municipalities that take on the responsibility of all their residents?

MR. JOHNSON (Gimli): I can say, Mr. Chairman, that in benefit period No. 1 - 90 of the municipalities guaranteed their premiums - guaranteed the premiums for all the residents plus their known indigents. And as I said the other day, what bothered them was that despite the fact that they had covered everybody they might miss somebody. I understand - the figures should be in very shortly now - that is up this year, the guaranteeing municipalities. I can't give you the exact figure at the moment.

MR. CAMPBELL: Very good.

MR. ORLIKOW: Mr. Chairman, I had anticipated asking the Minister to give us some - a somewhat detailed report on what the cost of hospitalization is to the people of this province. We're getting the agreed on amount from the Federal Government, and this - the province here is listed as paying $3,000,000.00. I wonder - I was going to ask the Minister what the cost to the people of Manitoba through their premiums is? The Minister said, and if I understood him correctly, that the $3,000,000.00 roughly pays the premiums, or what would be the premiums of those people who are indigents. If I understood him correctly, that would mean that the rest of the people in this province are paying the full cost of the province's share of this Plan through their premiums. Now, Mr. Chairman, the cost is pretty substantial. If you have a family, the average family pays $4.10 a month. If on top of that, and this happens in quite a number of cases, if you have children who are over the age limit but who are still attending school or university so they're not in the earning bracket themselves, you can have a family paying anywhere from $90.00 to over $100.00 a year for hospitalization, and this is a very substantial amount of money. Now it seems to me that as the costs go up we are going to have to face the fact that the - that in many cases the people of this province cannot afford to pay the total cost through their premiums, cost which is now being assessed, and that part of the cost will, and should be assumed by the province through the regular revenues and disbursements of the province. In Saskatchewan, for example, the premium, according to the latest information I have, is only $35.00 a year for a family, compared to the over $49.00 which we're paying, and the difference is paid for through the regular expenditures of the province. (Interjection) - Well, in whatever way they do it, in whatever way they do it. They ... It's only part of it. They know they're paying over $10,000,000.00 a year out of the regular budget of the province. And, Mr. Chairman, now that the Honourable Leader of the Opposition has interrupted, it reminds me I marked this as an item which I wanted to talk to him about. He gave us a little lecture, as he so frequently does, some days ago about the dangers of increasing civil servants - I think you'll remember it; well, here's an item, and I have here the annual report for the Manitoba Hospital Services Plan, year ending December third, 1958. If you turn to page 13, you find that the Plan has a total of 197 employees. I am not objecting, but this is a Plan which the Honourable Leader of the Opposition began when he was on the other side of the House. It bears out the point which I made that day, and I repeat it with the actual figures today, if we

(Mr. Orlikow, cont'd.) ....have services we are going to have to have staff, and here is a service which was begun by the Honourable Leader of the Opposition, and we have to have the staff for it.

MR. WAGNER: Mr. Chairman, under the Item (e) I just want more clarification because I don't know whether I'm going to say or ask the proper question, but it says hospital care of provincial patients $10,000.00. Well I just don't know what provincial patients are, but I'll just give a little information or pass what in two cases what happened - what happened in our area. I'll just deal with two cases. A woman had a stroke ten years ago and she's drawing disability pension of $55.00 and the daughter she can not look after her - not any more - because she's sick herself and she needs - that particular person needs a baby's care. Now she enquired into different departments and I understand from the daughter that they want additional $90.00 to take care of that person. And another person which - a bachelor who was home, why actually that was his mother but she was slightly mentally incompetent and he has to give her away from home and he has to pay $45.00 additional plus her pension. So I just wonder whether these two people that I mention would quality under this Hospital Care for Provincial Patients.

MR. JOHNSON (Gimli): Mr. Chairman, to answer them in reverse. The Honourable Member from Fisher is referring to - this refers to the monies that used to be budgeted to pay the indigent accounts of patients outside of municipalities, who were provincial responsibilities in unorganized territory and so on. Under the Hospital Plan, if that woman is medically ill and requires acute hospital care, of course her premium admits her to a hosp tal. And then again under the Social Allowances Act which we'll be coming upon in the not too distant future, I'll be able to answer more thoroughly. However that does not bear -- this is an appropriation for hospitalization which is no longer necessary. Now, the Honourable Member for St. John's mentioned "where's the money coming from?" The money is coming - $11,000,000.00 or 47 percent of our Plan comes from Ottawa, and this is given to us on the basis of 25 percent of the average cost per patient-day in the province plus 25 percent of the average cost per patient-day across the Dominion. That brings us in $11,000,000.00 which is slightly less than 50 percent, because of the national average. We will get $13,000,000.00 from premiums, and 52 percent of this comes from municipalities or from employer groups - from employees to employer groups - 42 percent comes from municipalities, unorganized, and six percent of this total is the percentage that is subsidized by the province, those patients who are in receipt of assistance. Also, I don't think we should compare this to Saskatchewan; I think we can develop as good, if not a better plan than Saskatchewan, and of course the budget in Saskatchewan is $35,000,000.00; as you say the premiums are lower but that is subsidized by a Sales Tax. Now I don't know, when I say that 11,000,000. -- the Plan costs us $27,000,000.00 - 11, - Federal 13, - premiums and 3,000,000. donated by the province, for a total of $27,000,000.00, and it's as broad as it is long. You say that for certain families - as you know we are making some changes to the Act which broadens the definition of "dependent" where we think it has created a little need. But when hospital costs are $20.00 a day plus at a maximum in this province, the premium is really very modest, and I would say that with the system that the province has adopted that those administering this Plan are a credit to this province.

SOME OF THE MEMBERS: Hear. Hear.

MR. JOHNSON (Gimli): We hear this story of 225 bodies under the Plan, and the honourable member mentions the increase in civil service. Now Blue Cross, a private organization, they covered only 40 percent of the population that the Plan covers and their administrative expense was $580,000.00 in their last year. I think this figure of 661, - is very commendable and I cannot give enough credit to the Commissioner and his staff for the tremendous job they are doing and have done. And I feel that they've held the line; they've produced the goods and we're going to keep on producing it as long as we operate under this system, which we have no alternative but to operate under in my opinion at the present time. That's about all I have to say.

MR. WAGNER: Did I understand correctly, then the Honourable Minister said that if his Bill comes into effect that it will take care of such people as I mentioned - about those people that are totally disabled - a stroke, that woman?

MR. JOHNSON (Gimli): Totally disabled people in unorganized territory who are as you described, an aged, inform person who requires prolonged care in a nursing home. If that

(Mr. Johnson, cont'd.) .... is the story, under the new Social Allowances Act the province - as you know last April first the municipalities had a straight 80 - 20 reimbursement on this type of case and in the unorganized, the province is responsible. We intend to meet need - that covers a pretty wide area.

MR. WRIGHT: Mr. Chairman, Item (f), Long Term Assistance; this applies to those in hospital over 180 days. I realize that this amount is not necessary this year, but last year $800,000.00 was appropriated, and I can recall that the municipalities had -- were very skeptical about the amount of benefit they would derive from this. Could the Minister tell us how much of this $800,000.00 last year was actually expended?

MR. JOHNSON (Gimli): Mr. Chairman, I don't think it - with all due deference to the honourable member's question - I don't think it really matters at this point. I could give the precise amount, but as I informed the Committee, of the total 3 million 6, 1.7 million was paid out on largely Item (c) and Items (e) and (f), in about that proportion. I would say roughly $400,000.00 of that was used, or possibly a little more, to cover that 180 day clause. I could get that precise information if the member wishes.

MR. MOLGAT: Mr. Chairman, did I understand correctly the Minister to say that at the present estimates the premiums this year will cover the cost of the Plan? Is that....?

MR. JOHNSON (Gimli): Yes - we'll make it. Yes, Sir, Mr. Chairman, the premiums will be the same this year.

MR. L. DESJARDINS (St.Boniface): Mr. Chairman, I know that we shouldn't expect this Plan to be perfect and we don't - we think that with time it will be - and that is why I would like to ask the Honourable Minister if he has thought about maybe modifying the Plan so that each patient would have to pay a certain amount of the cost himself. Now a word of explanation to that, if I give an example; we are told that quite a few of the patients are in the hospital now and normally they wouldn't have to be. I know of a case that a person waited three weeks to get a little - a very minor operation on a finger, he stayed in the hospital for two days. That was about - I don't know what the charge is a day, I think around $14.00 or $15.00, where he could have had that done at the doctor's office for $4.00. I wonder if you -- if that is being considered at all.

MR. JOHNSON (Gimli) Yes, Mr. Chairman, if the honourable member would give me the name of the hospital, we'll check with the Admission-Discharge Committee forthwith. We allow the hospitals to police themselves at this stage; any abuse of hospital facilities when you are protecting public funds should be discouraged, and that's why we made this extension to the out-patient department clinic. Now I would also point out to the member that the previous Minister, and I agree with him, when this plan was brought into effect the question of a deterrent was discussed I understand at very great length, and the feeling of the -- I think the best example was given by Mr. Bend when I heard him speak on this to a group of doctors - that the average fellow who pays a premium half of his life and his kid - child - may require a tonsillectomy or he may have occasion to be a father again, it was felt he would be discriminated against in having such a deterrent, that the only time he may use the hospital, he is asked to pay a deterrent. There is much argument that a deterrent will lower hospital utilization, but I don't think that has proven true in practice. Other western provinces, two of them, have a deterrent clause and if you go to Alberta and become sick you will have to pay between $1.00 and $2.00 per day from your own pocket. But the deterrent factor, I think, creates a lot more administrative difficulty and the amount of the deterrent can never amount to very much if you are going to have a good efficient plan. However, this was the decision the previous Minister, which I concur in. In the light of a year's experience I think we have gained by not having this clause.

MR. MOLGAT: Mr. Chairman, I understand some rather serious difficulties have arisen so far as hospital budgets are concerned under the plan. Now the Minister may correct me if I'm wrong in this, but my understanding at the moment is that the rates vary in various hospitals; and the rates vary according to the budget of the hospital which I believe is analyzed by the hospital plan. And my understanding is that in a number of cases, the budgets which were submitted to the plan were not approved or changed until very recently. Now those are budgets which are submitted for the year starting first of January, and as a result the hospitals are now getting their budget back - some have been refused, that is decreases have been put into the budget, the plan would not accept the complete budget. Now the hospitals are then faced with

(Mr. Molgat, cont'd.) .... this. They have been operating now for three, four, five months on the basis of the budgets that they have submitted and they will be faced with a deficit on that basis. They have no other means of income today except what they receive from the Plan. How does the Minister propose that the hospitals should make up this deficit? And secondly, is it necessary that there should be that long a period before the budgets are approved?

MR. JOHNSON (Gimli): Mr. Chairman, in answering the honourable member concerning the long period of time we've had in asking hospitals to submit their budgets sometime ago and only having them approved rather recently, has largely been because of the unsettled state in the Plan and that they've been negotiating policy implementing changes in collection systems, two collection systems have come upon them and so on. In the future I don't expect this would occur but the Plan had been working long and hard hours to get these budgets completed. It bothered us also but I must say that the members - the budgetary committee and so on have had just such a volume of work in this first year of the Plan that we anticipated this difficulty with this first and second budget estimate.

Now the honourable member mentions deficit. We budget - we have all the hospitals in the province submit their budgets to the Commissioner and his staff who are experienced actuaries and experienced in the hospital field. They are willing to sit down - they sit down - there is a right of appeal to the Minister on a budget. However, the greatest of care is taken and again caused a delay - the greatest of care is exercised in these budgets. We are able to make comparisons with other hospitals. Every known factor in the hospital is taken into consideration. The Commissioner sits down with the hospital officials and is willing to stand up to his actuaries and his group's decision. I think this is imperative. The hospitals have nothing to worry about. If the Plan does happen to underestimate, then the deficit will be made up at the end of the year. That is the real - I really can't say much more than that. For instance, a hospital, for example, budgeted $200,00.00 more than the Plan felt they should have, it is up to the Commissioner and his staff to justify why they say this, and they do, and they therefore set the per diem rate. And, if this is unrealistic, we are making provisions - we have and will in the future pick these things up a month or so after the payment is made, if we find we're getting behind with them, we will up that amount. However, we have to be careful here. A hospital may put down a budget for a certain number of nurses and a department which may not open and here the budgetary committee says in effect, "How many do you expect to have in this position?" and if this is just what they hope to have we say we may temporize and give them half this increase for the extra help but at the end of the year we would rectify it or during the course of the year. As you know in this session we are making provision to prevent an overpayment to these hospitals. I think in the first year the Commissioner of staff have done a wonderful job. They were pretty well right on the line in this past year and I would expect they would be just about accurate in this coming year. However, quite justifiably many hospitals are likely to come in and ask for a lot more money. But we work in the light - I have to place my confidence in the abilities of the actuaries and the Commissioner to this Plan and we're quite willing to sit down and review any budget of any hospital that feels that they've been discriminated against.

....................Continued on next page.

MR. MOLGAT: Mr. Chairman, I appreciate very much the reasons for which this procedure has to be followed. The question - and I'm not quite sure whether the Minister meant what I understood him to say, is this: There's now let's say six months that these hospitals have been operating under their prepared budgets. Let us assume that the plan reduces the budget by $200, 000. - I think it's fair to assume that the hospitals have already expended $100, 000. of that amount in their six months of operation - so in order to bring themselves in line with the budget that the plan has approved, during the next six months either they will have to reduce services to the extent of $200, 000 or if they are unable to do so by $100, 000 and then show a deficit of $100, 000. Did I understand the Minister to say that the Government would take care of the deficit at the end of the period?

MR. JOHNSON (Gimli): Yes, we make up any budgetary deficit that is actually incurred by the hospital but if the hospital increases or makes any large change which is going to affect their budget to a great extent, this should really be checked with the Commissioner before they go ahead to do so in budgetary items within the hospital. For instance, if halfway during the year, a hospital decides to increase a facility and establish a department that would suddenly cause an increase in their budget halfway through the year - that's what you are driving at.

MR. MOLGAT: What I'm driving at is this: If a hospital submitted a budget to the plan last January or last December whenever it was requested - that budget as I understood it covered the period from the 1st of January '59 to the 31st December '59. Now that budget was not approved by the plan until very recently in the case of most hospitals; in other words, for the first six months the hospitals did not know whether or not the budget would be approved and they could only proceed with their expenditures naturally on the basis of the budget they setup. Now if the plan says to the hospital, "We don't accept your complete budget, it's too late, six months have gone by, the hospitals have made the expenditures;" they are, therefore, in deficit at this time, strictly on the basis of the budget that they had submitted. But because as I've said, six months lapse, they are caught in the net. Now if the Minister agrees at the end of the period to cover the deficit, then there's no problem. But if not, then they are in a difficult spot.

MR. JOHNSON: There's provision in the Act now to provide for deficits which are incurred by hospitals, which the hospital and the Commissioner agrees is a legitimate deficit incurred by the hospital in providing services. That is in the Act.

MR. MOLGAT: Well that covers that item, Mr. Chairman, but this matter of appeal that the Minister mentioned. To whom is the appeal made by the hospital? I understand that the appeal is to be made to the same group of people who originally made the decision. In other words, the first judges which are the plan, are also the appeal court.

MR. JOHNSON: Well, I understand they have appeal to the Minister also.

MR. MOLGAT: But so far have not appeals been made strictly to the hospital plan, and not to the Minister?

MR. JOHNSON: Yes, and in the last budget period, I believe there was one appeal which was rectified or two, in the first benefit period. And this last time I haven't heard of any appeals coming in as yet.

MR. MOLGAT: But is this appeal then to the Board itself or is it to the Minister? I understand the appeals so far have been heard by the hospital plan itself. Now it doesn't make sense to me that they should be in the first place the ones to decide whether or not the budgets are granted, and then should also be the ones who hear the appeal.

MR. JOHNSON: He who pays the piper, plays the tune, I guess in this case. It isn't a case of -- it's something worthwhile looking into but as I understand it, just as the honourable member says, at the present time the appeal is to the Commission -- the Commissioner of the plan.

MR. MOLGAT: Well, I would suggest, Mr. Minister, that possibly that should be looked into because it seems odd that you have three or four or six people or what have you, who analyze the budget, make a decision on it, either accept or refuse it, and then if there's an appeal to be made, they are the same ones again to hear the appeal. I don't think that in our legal procedures we follow that action and it seems to be here too, that the appeal should be, and I suggest in this case to yourself as the Minister.

MR. PAULLEY: Mr. Chairman, just a word or two on our hospitalization plan. I agree with the Honourable the Minister that insofar as the staff is concerned taking over this tremendous

(Mr. Paulley, cont'd.) .... task as of July 1st of last year, I think that they have done a pretty good job in the administration. And I know the Minister must be correct when he told us that they were working all hours in order to facilitate the plan being put into effect and working smoothly.

If I understood the Minister correctly, he said in respect of the premiums to be collected this year from the insured persons would be somewhere in the neighborhood of thirteen millions of dollars - I believed that was what he informed us. I notice, Sir, in looking over the annual report for the year ending December 31st, 1958, that the total collections from insured persons was somewhere in the neighborhood of $7,350,000., which would indicate, as I understand it, those premiums which were collected after the inception of the plan were for the first six months of the current year 1959. That being so, the premium rates and the premiums collected for the full year 1959, would be somewhere in the neighborhood of $14,700,000. - projecting the premiums collected in the last six months of last year. And on page 18 of the report, it notes that there was an excess of assets over accounts payable in accrued charges of $2,775,000. Now as I understand, and if I recall the words of the former Minister of Health, there was going to be free hospitalization for all of the peoples of Manitoba in respect of the last six months of last year. Exhibit 'B' of the report on Page 33 shows that there was an excess of expenditure over revenue of $5,893,000. which would indicate to me, and that incidentally is after contributions from both the Federal and the Provincial Governments in respect of the plan, it would indicate to me, without being a financial analyst, that the $5,893,000. represented the actual cost of hospitalization paid to hospitals other than that contributed by the province and the Dominion which would indicate that if the things continued the same way as they are that the premiums being paid by the insured people will amount to an excess of somewhere in the neighborhood of a million odd dollars every six months. That is the information that I get from these figures. Again going back to Page 18, the excess of the assets over accounts payable $2,275,000. Premiums collected $7,350,000. approximately. The excess of expenditure which I presume is the amount which was paid to hospitals for hospitalization for the first six months of the period or of the plan for which no premiums were paid amounted to $5,893,000. Now that's the way I read the figures. I'd be glad if maybe the Treasurer or the Minister could put me on the right track because again I don't profess to be a chartered accountant or financial analyst but it does on these figures it seems to me to be somewhat misleading. Also I would like the Minister, if he would be kind enough, to once again just break down that $3,000,000. of provincial contribution to the plan because it seems to me that the total contributions set aside from the Province of Manitoba for the first six months of the plan last year was $1,117,000. as shown on Exhibit 'B' Page 33 of the annual report.

MR. JOHNSON: I would like to -- I'm not a financial expert and I find it very difficult too. The $7,348,000. that the honourable member is referring to, Mr. Chairman, represents the pre-paid premiums for benefit period No. 1 which cameto $6,757,00. and benefit period No. 2 of $590,000. and that when Decemberpay period of employer groups came in, you see, and gave us a total of $7,348,000. which is actually $6,700,000. -- is the figure you are looking for there. And then back in there where it mentions that $2,000,000. excess, that is where you took the premiums received and charged them in advance to be applied to cover benefits for '59 of $7,300,000. and took the $5,000,000. of Canada and the province. This excess was just as of the 31st of December but that would be used in the coming months. The grants actually towards the plan on the 31st of December, that's that $900,000. you see there. That came out of this appropriation for the first six months of that year, the one we are on now, that's the $900,000. Does that clarify that at all in the honourable member's mind?

MR. PAULLEY: Mr. Chairman, if we proceeded along this it would get so clear it would be just like real mud, maybe we better get together.

MR. N. SHOEMAKER (Gladstone): Mr. Speaker, on the subjects of budgets, I wonder if the Honourable the Minister could tell us if he notices any marked increase in the budgets that are presented this year by the hospitals as compared to the ones presented last year? That is, is there an indication that there will be a definite rise in hospital costs this year?

I am tempted to ask this question by reason of the fact that I served on the hospital board at Neepawa for a number of years. In fact, I'm still on the board but I'm not very active. But I have noticed that the attitude of the boards has changed somewhat over the years. When I used

(Mr. Shoemaker, cont'd.) .... to attend the meetings of the hospital boards our chief concern seemed to be one of thrift, that is, we examined every expenditure very carefully, discussed it in detail and attempted to control expenses as best we could. And now in attending some of the board meetings, we find that the attitude is changed to one of, well we might as well spend it because it's not our money. So the attitude is changed from one of thrift to one of 'let's shoot the works.' So I am wondering if that has resulted in a marked upward trend in the budget that is being presented at this time.

On Friday evening the Honourable the Minister outlined in some detail, other aspects of the plan and anticipated changes that he hoped to make. And at one point in the discussion he said that they were planning extended benefits, always keeping in mind the public purse. I don't think that there was any specific emphasis placed on just how they intended to extend the plan. I was hoping that he might be able to tell us that the plan would be broadened to take care of patients in nursing homes and a few items like that, and I realize that today we were -- we got second reading of Bill No. 55, and no doubt it intends to take care of some of the questions that we are now asking. There was very little on discussion Bill No. 55 - perhaps it will take care of that.

Now, the Honourable the Minister also mentioned proposed changes in the system of collecting the premiums and I am sure that the Neepawa town council didn't know that we were presently discussing the Manitoba Hospital Services Plan or any aspects of it - but on July 10th, and this incidentally is the last issue of the Neepawa Press, the whole front page practically is taken up with an item here. And the Minister can probably read it from there. Hospital plan problems puzzle municipal men - and I might do worse than to read it because it isn't lengthy, that is the main points of it and I will read you what they say. And I haven't discussed this with any of the council when I was home for the weekend. But it says "How do you prove that a man doesn't live in your town when you don't know anything more about him than his name? This is the riddle that municipal men responsible for collecting Manitoba Service Plan premiums are apparently trying to solve. Municipal offices in the province have been presented with the task of collecting premiums from all those residents who do not pay through monthly payroll deductions. Many municipal governments have decided to pay the premium for those who do not pay their own and have also left deposits of $100. with the MHSP offices for any who may not have registered under the plan. The main purpose of these schemes is to absolve the municipality of any responsibility for hospital bills incurred by such individuals and they are provided with the means of collecting from any non-payers who are financially able to do so. Most municipalities which undertook responsibility for paying the premium of all it's residents did so in the belief that it would be less expensive in the long run than to pay the hospital bills. When payments were received for the first benefit period, there were comparatively few who had not paid, and most of these were considered unable to do so and also likely to be the group that would run up the largest bills for which the municipality would be responsible.

Following the May 31st deadline for payment of premiums for the second benefit period, however, municipal officers received lists of persons said to be legal residents of the respective districts which have not paid their premiums. They were told at the same time that they would be responsible either for paying for the people on these lists or proving that they were not responsible. In the case of the town of Neepawa, and likely in other instances as well, it was found that some of the list were deceased. Some others it is known, have already paid premiums perhaps in some other manner and are apparently registered twice under the plan. Some of the names on the list are quite correct, of course, but there are several who are unknown to the municipal office or any members of the council. The town won't have to pay for these persons if it can supply either (a) the name of the municipality of which the person is a legal resident; (b) such information regarding the persons residence as will enable the plan to entertain in the legal residence; or (c) indicate the whereabouts of the person if he has left Manitoba and the date on which he left. It was made quite clear that the onus of responsibility for providing the information as outlined, lies with the municipality. The town's cheque was due in the MHSP office on July 3rd but the officials are still trying to get information about some of the people on this list.'

"In examining the names, one councillor suggested that the town simply took all those for which no legal residence was known and divided them up among the municipalities. As for municipal employees charged with responsibility of collecting the premium, they feel that this is just one more in a long list of grievances they have in connection with the plan. A major flaw lies

(Mr. Shoemaker, cont'd.) .... with the two methods used in collecting premiums. If the municipal office were responsible for collecting from all of its residents they believe that they would have a much better knowledge of how completely they are doing the job and that a certain amount of duplication of names could be avoided. Meanwhile they would like an answer to the current riddle." Now that is pretty well self-explanatory.

Now, the Honourable the Minister told us on Friday evening too, the number of old age pensioners that were exempt from paying the premium, and I think it is now about 40% of all persons in receipt of old age pensions that are exempt from paying the premium. About a month or two ago the town clerk at Neepawa asked me to come over to the office and go over the list of those persons who they hadn't been able to collect premiums from and to offer any suggestions. And in looking over the list, I checked off 33 people that I thought (all old age pensioner, incidentally) because they prepared in two lists -- 33 people who would be exempt from paying a premium if they made application to do so. But in most of the cases, they simply couldn't comprehend the import of the application form to start with. They are all old people and if they get a form that is forty inches long with a bunch of questions on it, they are simply not going to pay any attention to it. And furthermore, since they don't intend to pay the premium anyway, that is -- they say, 'Well I'm not paying it, so why should I worry?' It just doesn't concern them, so I suggested that the plan should forward 'application for premium exemption' forms to the municipal men and then the municipal men could call in these indigents and say, now listen, Mr. So-and-So, we are going to fill out co-operatively an application for premium exemption. And in that way the municipalities would be relieved from paying some of that type of premium. I would be very interested, Mr. Chairman, to hear, too, from the Minister, as I indicated earlier, what plan he has for broadening the plan to take care of patients in nursing homes. Perhaps further in the estimates there will be a place that we can discuss that item, but I certainly feel that the plan will never operate efficiently and effectively until it is broadened to take care of patients in nursing homes. And I feel too, that in considering the direction of nursing homes that serious consideration should be given to placing them in local areas rather than centralizing them in one area.

MR. JOHNSON (Gimli): Mr. Chairman, I hope -- he covered a large field here, the Honourable Member from Neepawa -- and I would like to try and meet some of these challenges. I would first of all say that I meant it when I say that we want to extend to the benefits of the plan as much as we could and at the same time protect the public purse. That's about it in a nutshell, as to what we hope to do. I would point out to the honourable member also that, under the hospital plan for the first time -- for the first time many rural hospitals are able to budget for the staff they require. I practiced in a town and I know that this is true. As you say .... also that seeing it isn't the hospital's money they're willing to spend as much as they can, and possibly intimates that the plan will get some unrealistic budgets. That's exactly -- we don't expect that. We hope for co-operation and we're getting it most of -- along the line. However, we do have to have this budget Committee for that purpose, to review these budgets and we do have this appeal provision where the hospital can appeal a decision of the Commissioner and the Budget Committee and send back a new budget after revision, if they feel they're unjustified and again after that recourse to the Minister. However, we are -- when the plan came into effect, what I meant in my opening remarks, and I want the honourable member to know this, is that where the Act says you no longer -- as soon as the doctor says the patient can leave hospital and the plans will be terminated, the benefits, that's in the Act, we bent over backwards to extend these benefits wherever possible in view of the fact that we -- earlier on, especially, we were feeling our way and didn't have too much in the way of alternative facilities. Concerning the article in the Neepawa Press, I would say I don't think that that article is realistic, in a formation of a united Manitoba. These are the problems that we are discussing with Municipal Secretary-Treasurers who have been meeting with the officials of the plan; this doesn't represent the general feeling of themunicipalmen, many, many of whom I have spoken to personally. The point is that we, in sending out the list to the municipalities, are doing so in all good faith if there are people on that list who they do not feel are their responsibility, we have field men who are only too willing to get out there and discuss this matter with the Secretary-Treasurer concerned, or even get in touch with us at any time and we'll go over this.

As regards pensioners, the Honourable Member from Neepawa did bring to the Plan's attention at one point that in his area there are many he felt could qualify for a waiver of premium

(Mr. Johnson, cont'd.).... and his suggestion was an excellent one that we leave a stack -- a file of these forms with his Municipal Secretary-Treasurer. We had been doing that and we have been doing that since. And the point was that many pensioners, as he indicated, were confused. They thought through our advertising initially that they were liable for premium exemption. Because in the first notice -- premium notice a ...... of premium form that went out it mentioned 960 and 1620 and said nothing about the 1,000. and $2,000. ceilings and this completely confused a lot of these old people. And then we had great difficulty getting back to them with the form, as the honourable member has pointed out, the proper forms. However, we are only too willing to hear of these cases at any time and get them checked up on.

However, the biggest thing in this plan is to maintain our standard of care by certainly budgeting the proper staff for these smaller country hospitals and city hospitals, and in bringing the benefits to the people in that sense as much as possible, and at the same time we cannot tolerate grandiose expansion programs of every one who wants it. We have to tie this into the province's total needs. And that's speaking very bluntly, but that's what we would like to do. And the benefits of this Plan have been great to the municipalities that have guaranteed. They've been very great indeed, and they're the first to admit it. There are 'bugs' in every plan and after all, this Plan affects every man, woman and child in this province. But we're only too glad at any time to get these problems before us and to help us iron them out. As the honourable member probably knows we have a survey going on with the municipal men at this time and preliminary figures are beginning to come in. But I would like to make a statement at this time concerning nursing homes, which I think is such an important aspect and has been brought up in the House on two or three occasions. Now, our nursing home study is being conducted first to determine the cost of the care being provided in the various homes in the province to determine the types of patients being cared for in nursing homes and the nature of their disabilities, and to ascertain the type of treatment and the standard of the care being provided to people in nursing homes. Yet, it's essential that we have the answers to these questions before consideration of things can be given to the inclusion of any of these nursing homes as facilities under the Plan. One of the underlying principles under which the federal and provincial hospital insurance legislation -- one of the underlying principles, is that the Plan covers insured persons only during those periods of time when they require medical care in hospitals. And it specifically excludes domiciliary or this custodial type of care where people are up and around. In addition the legislation provides that a range of basic services either be available in an approved institution itself, or arrangements must exist for the provision of these services by some other nearby institution. It would therefore be premature to give consideration to the inclusion of nursing homes in this province under the Plan and, too, we have the results of the study, have the facts and the fundamental questions concerning care provided and are able to integrate our findings into a long-term program for hospital accommodation.

Now, in discussions with the federal officials, we have been informed that it is possible, it's within the possibility in the future, to declare an institution as a facility under our Plan if it measures up to the standards that we desire. And Ottawa is prepared to share in the cost of the care provided in such an institution in cases where the care is deemed medically necessary. As a result of the study that we are now undertaking, it may very well be that some of the larger institutions which are engaged in providing long-term care, may be approved as facilities under the Plan either in whole or in part. On the other hand, it is highly improbable that many of the small nursing homes would qualify as facilities.

One phase of our study has been visits to a number of these smaller nursing homes together with discussions concerning them with various informed people. And that I would say that only a very small percentage of the patients being cared for in the smaller institutions would qualify in the way of inclusion as -- for inclusion as facilities under the Plan. For what we have seen of these smaller nursing homes and the standards of care they're providing, most of them, having the mixture of domiciliary to the degree they do, plus bed ridden patients would not qualify with Ottawa's interpretation as a facility under the Plan. These remarks do not, of course, apply to some of the larger institutions, many of which provide a very high calibre of care, and which we are looking at and have done considerable amount of work on them already. As far as the individual who at the present time is confined to a nursing home and is unable to pay his own way, is concerned, I would say that this at this time is a welfare problem and should be treated

(Mr. Johnson, cont'd.) .... as such. We should not involve the Plan in an area that it was never designed to handle in the first place. Now, in reviewing the files in my office, I find that in 1955 the Associate Hospitals in Manitoba requested that a study of existing accommodation for the care and treatment of long-term patients undertaken, and additional accommodation -- the additional accommodation that the study would indicate, be made available. Now, it is obvious that for some time the Associate Hospitals of Manitoba have seen this problem arising. And the difficulty has projected itself with the inception of the Plan. I might mention that the Province of Ontario took two years to survey this particular problem before their plan came into operation and under their arrangement certain large selected homes for the aged that provided care to patients who were ill and where it was medically necessary, were included as facilities. Despite the absence of preliminary studies, we have, since the Plan took effect last July, done a great deal to make alternative care available as I pointed out earlier. We managed to get the sanatorium beds under the Plan, we managed to transfer certain cases, new born or children for adoption, from our hospitals to other accommodation, we've liberalized out-patient benefits and, as we mentioned earlier, it makes provision for many cases where the patient does not have to be admitted for minor procedures. Now, it is quite obvious to me that rather than making decisions based upon expediency, a decision that we may regret at a later date, it would be preferable that this entire question of hospital facilities including all other types of alternative care, be carefully scrutinized in the coming survey of our facilities in the province and that a long term program should be developed to ensure that adequate accommodation is available to provide for the various types of incapacitated individuals. And I feel that when our group come here to study our acute hospital need, they simply cannot proceed without doing a concurrent study of our alternative care facilities, because it's one problem. I don't think anyone knows the total answer to this, but we must remember that so many of our nursing homes who have been doing a wonderful job in the past, have this mixture of domiciliary patients who really require in many instances housing, rather than medical or nursing home care, that we have to be selective, and to meet the terms of Ottawa, to include it as a facility. This is exactly what we're trying to do at this time.

MR. SHOEMAKER: Mr. Chairman, I want to thank the Minister very kindly for those remarks that he made. Now, in talking to the -- as regards to the municipal collection of the premiums, the town clerk at Neepawa thought the problem could be solved there pretty well by having the employer-employee groups, and it used to be five employees -- I think it is proposed to change it to three under the new Act, but regardless of the number, if the employer would send the list of employees and his cheque to the municipal office, then the municipal office would have a complete check of every one in the town, whereas presently he's having trouble, he doesn't even know the employees. That would settle that one. Now that's what he feels could be done, and overcome that problem there. As regards the nursing homes, I do appreciate everything that the Honourable Minister has said relative to that, but it does seem to me that in -- and I don't know whether it is the government's intention to amend the Elderly Housing Act or the Nursing Home Act, but it seems to me that it's only logical in considering the erection of, that is even by a local board, where they're considering the erection of an elderly housing unit or a nursing housing unit to build a building that will take care of the elderly persons not requiring nursing care, and somewhere in the building make provision for a nursing home unit. Because most of the people in the elderly housing unit are aged people that, if they don't require a limited amount of nursing care today, they will tomorrow. And in talking to Mr. Wage at the Old Age Assistance Board and Mr. McIntosh, is it? - the chairman over there, he described to me one that was -- a unit that was built recently down at Killarney I believe, where they planned on doing just that. I think there were 32 beds, and eight of them were designed for the treatment of the patients, and it seemed to me to be a very good arrangement.

Now, I know presently that in the town of Neepawa, there is a group of citizens very interested in proceeding with the erection of a nursing home and they would be very interested if some scheme could be devised to assist them in the erection of a nursing home. I mean, they're quite prepared to go ahead with it themselves, if they're offered the same kind of assistance under that as under the Elderly Persons Housing Act.

MR. JOHNSON (Gimli): I believe that the Honourable Member for Neepawa has made a very good point - that the housing for senior citizens where we can look after both domiciliary and where due to the great age at which those people are coming into such accommodation, have

(Mr. Johnson, cont'd.) ..... nursing facilities available. And that I would suggest, Mr. Chairman, we leave until we come to the Elderly Persons Housing Act which makes provision for exactly what our Honourable Member for Neepawa has mentioned.

MR. CHAIRMAN: (d) 3.

MR. MOLGAT: ....this matter of the hospitals, I wonder if the Minister could give us some idea at this time of the state problem throughout the province. Are the -- what is the situation on beds, is there much of a backlog, are we building more hospitals, what is there under construction at the moment?

MR. JOHNSON: Mr. Chairman, I would say that prior to the Plan coming in and at all times you do have a certain backlog of admission to hospitals to the acute hospitals. We estimated -- or it was estimated before the Plan came into effect that rural hospital would have about a 75% occupancy on an average, and that the city hospitals wouldn't change much from around an 85% occupancy, and this has been the situation. We have been assured in the Department and the Plan that each hospital will reserve accommodation for emergency cases at all times which I think is most important. Generally, of course, during the summer months, the waiting list is not too bad at the present time. In the fall and winter months it does become a little more acute. There were waiting lists last year. And I could say very broadly this, that with acute bed index of about 6.1 per 1,000 population we just are not too sure that it is acute hospital beds that are required, if we can provide -- relieve our acute hospitals of some of their long term nursing home and domiciliary types of cases. And this is the real reason that I think the survey, looking at this factor at our acute bed situation and the provision of adequate alternative facilities to care for those who are sick and helpless and who need -- and whom I think we all feel should be under the Plan.

MR. MOLGAT: Is there any evidence at all, Mr. Chairman, of a shift of patients from country hospitals to city hospitals, as previously before the Plan's operation there was a difference in cost, and there was definitely a deterrent. Today there isn't that difference. Is there that shift coming about?

MR. JOHNSON: There is a tendency in the initial status of the Plan. I think it's probably easing off at the present time. But when the Plan came into effect there was about 20% -- 25% of our hospital beds in the Greater Winnipeg area used by rural residents. And you will always have a certain percentage because of the treatment of cancer, as you know, but I think that is about 20, 25% will always be a high figure will tend to -- it will tend to remain below that percentage.

MR. PAULLEY: Mr. Chairman, it's not in connection actually with (d) (4) but I was very interested to hear the Honourable the Minister mention something about an Elderly Housing Act. We'll be able to see when it's coming down. Is is going to take as long as the Social Assistance Act or are we going to get that one in due course?

MR. JOHNSON: Well, they're all at the printers.

MR. SPEAKER: I call it 5:30 and now leave the Chair until 8:00 PM.