



Second Session — Thirty-First Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

26 Elizabeth II

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Speaker*



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Manitoba Legislative Assembly

Thirty-First Legislature

Members, Constituencies and Political Affiliation

<i>Name</i>	<i>Constituency</i>	<i>Political Affiliation</i>
ADAM, A.R. (Pete)	Ste. Rose	NDP
ANDERSON, Robert (Bob)	Springfield	P.C.
AXWORTHY, Lloyd	Fort Rouge	Lib.
BANMAN, Robert, Hon.	La Verendrye	P.C.
BARROW, Thomas A.	Flin Flon	NDP
BLAKE, David R.	Minnedosa	P.C.
BOSTROM, Harvey	Rupertsland	NDP
BOYCE, J.R. (Bud)	Winnipeg Centre	NDP
BROWN, Arnold	Rhineland	P.C.
CHERNIACK, Saul M., Q.C.	St. Johns	NDP
CORRIN, Brian	Wellington	NDP
COSENS, Keith A., Hon.	Gimli	P.C.
COWAN, Jay	Churchill	NDP
CRAIK, Donald W., Hon.	Riel	P.C.
DESJARDINS, Laurent L.	St. Boniface	NDP
DOERN, Russell J.	Elmwood	NDP
DOMINO, Len	St. Matthews	P.C.
DOWNEY, James E., Hon.	Arthur	P.C.
DRIEDGER, Albert	Emerson	P.C.
EINARSON, Henry	Rock Lake	P.C.
ENNS, Harry J., Hon.	Lakeside	P.C.
EVANS, Leonard S.	Brandon East	NDP
FERGUSON, James R.	Gladstone	P.C.
FOX, Peter	Kildonan	NDP
GALBRAITH, James	Dauphin	P.C.
GOURLAY, Douglas	Swan River	P.C.
GRAHAM, Harry E., Hon.	Birtle-Russell	P.C.
GREEN, Sidney, Q.C.	Inkster	NDP
HANUSCHAK, Ben	Burrows	NDP
HYDE, Lloyd G.	Portage la Prairie	P.C.
JENKINS, William W.	Logan	NDP
JOHNSTON, J. Frank, Hon.	Sturgeon Creek	P.C.
JORGENSEN, Warner H., Hon.	Morris	P.C.
KOVNATS, Abe	Radisson	P.C.
LYON, Sterling R., Q.C., Hon.	Charleswood	P.C.
MacMASTER, Ken, Hon.	Thompson	P.C.
McBRYDE, Ronald	The Pas	NDP
McGILL, Edward R., Hon.	Brandon West	P.C.
McGREGOR, Morris	Virden	P.C.
McKENZIE, J. Wally	Roblin	P.C.
MALINOWSKI, Donald	Point Douglas	NDP
MERCIER, Gerald W.J., Q.C., Hon.	Osborne	P.C.
MILLER, Saul A.	Seven Oaks	NDP
MINAKER, George	St. James	P.C.
ORCHARD, Donald W.	Pembina	P.C.
PARASIUK, Wilson	Transcona	NDP
PAWLEY, Howard, Q.C.	Selkirk	NDP
PRICE, Norma Hon.	Assiniboia	P.C.
RANSOM, Brian, Hon.	Souris-Killarney	P.C.
SCHREYER, Edward R.	Rossmere	NDP
SHERMAN, Louis R., Hon. (Bud)	Fort Garry	P.C.
SPIVAK, Sidney, Q.C., Hon.	River Heights	P.C.
STEEN, Warren	Crescentwood	P.C.
URUSKI, Billie	St. George	NDP
USKIW, Samuel	Lac du Bonnet	NDP
WALDING, D. James	St. Vital	NDP
WILSON, Robert G.	Wolseley	P.C.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, June 2, 1978

Time: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Before we proceed, I should like to draw the honourable members' attention to the gallery on my left where we have students from Grade 10 and 11 standing from Wabowden School. These students are under the direction of Mr. Mihalyk. This school is located in the constituency of the Honourable Member for Thompson.

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

Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. EDWARD SCHREYER (Rossmere): Mr. Speaker, I have a series of questions for the Minister reporting for Manitoba Hydro and they flow from his statement of the other day asserting that there was an unusual or unprecedented surplus of 1,000 megawatts capacity.

The first question to the Minister is to ask him whether he could indicate what capacity has been commissioned and put in service in the past 12-month period.

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Well, Mr. Speaker, I'd have to take that question as notice to get a precise answer with regard to what has been put in place. It will be the units that were brought in at Long Spruce and Jenpeg.

MR. SCHREYER: Yes, Mr. Speaker, I agree and those units are something substantially less than 500.

My second question is to ask the Minister if he could indicate what the *pro forma* surplus capacity was for that one-year period immediately following the commissioning of Kettle Rapids, back some several years ago. Can the Minister indicate if it was in the order of 1,000 megawatts, or 900 perhaps?

MR. CRAIK: Well, Mr. Speaker, again, to get at specific numbers will require some examination of the actual records but I would refer him, if there is some question in overall terms, for instance, to the centrefold section of the current report of Manitoba Hydro, and you will find there alone that the increased installed capacity is stated right there as increasing by 1,000 megawatts by 1980, while in fact it will be some time during 1979, and that is the overall reference there. And in view of the fact that the load gross for this last year has been only 1-½ percent, there has been very little change in the demand, and there were some windfall sales to the United States that were included in that because of the coal strike. The growth rate for the next year, although it had been predicted in the order of 6 percent or 7 percent, seems to be consistently referred to as being that ordered by Hydro. Realistically, I think probably 2-½ is probably closer to where we'll end up. Now, you can virtually say that the load gross has not been significant enough to make any major change in that, and I think you'll find again, if you refer to the picture in the centre of the annual report, that there alone, you'll see that the 1,000 megawatts installed capacity change is going to have occurred from some time in 1977 to some time in late 1979, and that's the 1,000 megawatts.

MR. SCHREYER: Well, Mr. Speaker, the one thing I perhaps share with the Honourable Minister, and perhaps it is something peculiar in our nature, is that I would sooner look at a centrefold of

a Hydro report than a centrefold of Playboy. However, . . .

MR. GREEN: You should never have admitted that.

MR. SPEAKER: Order please.

MR. SCHREYER: Well, Mr. Speaker, may I ask the Honourable Minister reporting for Hydro, if he will undertake to look, as he puts it, at the centrefold of the Hydro report for, say, 1972 or 1973, and ascertain what the surplus capacity was at the year immediately following the commissioning of Kettle Rapids, and ascertain what the capacity was in relation to the transmission capacity of this province on its external interconnections, and find out whether that is in any way a different ratio than obtains or applies at the present year and next year.

MR. SPEAKER: Order please. May I suggest to the honourable member that the questions he is asking are of, I suspect, rather a technical nature, and may better be treated by an order for return.

MR. SCHREYER: Perhaps so, Mr. Speaker, but really, they do not ask for any detailed, numerical data, but rather the dealing with an assertion as to whether or not a capacity is in greater or lesser surplus today than at a given point in time, six or seven years ago.

May I just say, Sir, with respect to your point of order, that there is a saying which is often used in Westminster, the mother of Parliaments, that the question period is necessary because oftentimes distortion is halfway around the world while truth is still putting on her shoes.

MR. SPEAKER: I want to thank the honourable member for his advice. The Honourable Minister of Finance.

MEMBERS: —(Interjection)—

MR. SCHREYER: Well, Hansard — Hansard.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I've no comment about the references to Westminster; I'm not well versed in that literature, but I think I do have a point of privilege on the first comment regarding Hydro reports versus Playboy reports, and I tend to be on the side of the Member for St. Boniface on that issue. But, Mr. Speaker, with regard to the questioning of the relative excess capacities, the member's question is on the record. I'll have it examined by the Manitoba Hydro people and I'll have it checked and provide whatever sort of report is available from Manitoba Hydro with regard to the figures that the member has requested.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I would like to direct a question to the Minister without Portfolio, the House Leader. Mr. Speaker, I wonder whether the Minister can advise us whether he has support for the metric conversion which he introduced yesterday.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, I have a question for the Minister of Education. I wonder if he would confirm that his department or he himself have received a report prepared by officials, consultants, on the state of physical fitness in Manitoba schools which shows a serious deterioration and serious condition and lack of physical fitness amongst Manitoba school children. Does he have that report and does he intend to take some action on it?

MR. SPEAKER: The Honourable Minister of Education.

MR. KEITH A. COSENS (Gimli): Mr. Speaker, that particular report is being printed at this time and will be released very soon.

MR. AXWORTHY: Mr. Speaker, I thank the Minister for indicating that the report will be made available. Considering that it shows that some 80 percent of the elementary school children do not receive proper training in physical fitness and that some 75 percent of females in the schools are

overweight — which I suppose means that they couldn't appear in a centre fold — does the Minister indicate what action he intends to take based upon that report? Does he intend to deal with the problem of limiting the sale of non-nutritious foods to the development of physical fitness programs or any other form of support to deal with this problem?

MR. COSENS: Mr. Speaker, I think I dealt with this rather specifically during my Estimates in answer to the particular questions that the Member for Fort Rouge is putting forth at this time. In answer to his questions, I would reiterate the fact that we will be attempting in every possible way to make sure that that time allotment for physical education in the elementary schools is adhered to, something that hasn't been happening in the past I'm told.

MR. AXWORTHY: Mr. Speaker, as a supplementary, does that Minister intend to take any steps to deal with other recommendations in the report pertaining to restricting the sale of non-nutritious foods and the development of proper counselling on eating habits and other forms of counselling and guidance in schools so that proper nutrition can be established?

MR. COSENS: Mr. Speaker, to the Member for Fort Rouge, we'll be looking at all of these recommendations very carefully and trying to put into force those that are feasible and possible within the system.

MR. SPEAKER: Before I recognize the Honourable Member for Churchill, I would like to introduce to the members 70 students from the Springfield Collegiate, Grade 11 standing, under the direction of Mr. Jim Smythe. This school is located in the constituency of the Honourable Member for Springfield. On behalf of all the members, we welcome you here this morning.

The Honourable Member for Churchill.

MR. JAY COWAN: Mr. Speaker, my question is to the Minister of Municipal Affairs. Can the Minister confirm that the Gillam Fire Brigade has agreed to continue operation as a fire brigade until June 15th, at which time their mass resignation once again becomes effective and if they have done so, to allow the Minister adequate opportunity to review the situation created by his department's newly implemented methods of remuneration?

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W.J. MERCIER (Osborne): Mr. Speaker, there are no newly implemented methods of remuneration. What has happened is that the department is asking that The Municipal Act be complied with. I am not aware of any further communications from Gillam though since I answered the question to the honourable member on Wednesday, I believe, but would appear that there will be a further communication. As soon as I receive it and deal with it, I will advise the member.

MR. COWAN: Thank you, Mr. Speaker, well both I and the Gillam Fire Brigade think there are newly implemented procedures. Can the Minister confirm that as a result of his department's unacceptable change in methods of remuneration that one councillor has resigned from the fire brigade and that one fire-fighter resigned from the council, two days ago thereby creating vacancies in both the council and the fire brigade and reducing the efficiency and effectiveness of both.

MR. MERCIER: Mr. Speaker, I believe that one member of council did resign so that he could devote his time to the Volunteer Fire-Fighters' Association rather than council.

MR. COWAN: Thank you, Mr. Speaker, the opposition seems to find this quite humorous, I assure him that the people of Gillam don't. Is the Minister willing to travel to Gillam in order to meet with both the council and the fire brigade so that he may first-hand acquaint himself with the seriousness of these problems, and so that a satisfactory solution can be worked out in consultation and in co-operation with the interested parties, and is he willing to do so before June 15th.

MR. MERCIER: Mr. Speaker, if that's necessary I certainly would.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'd like to direct a question to the Honourable Minister for Consumer Affairs. In a news report yesterday, it was indicated that the Executive Director of the Rental Control Program, although given a month's notice, left her employment immediately. Can the Minister advise us whether that was at the request of the government, or did she just leave after she was

given notice.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. EDWARD MCGILL (Brandon West): Mr. Speaker, as I explained to questions yesterday, the decision not to renew the contract at the expiry date of June 30th was made and notice was given to the Executive Director on May 31st. The opportunity then was for her to have the month of June as a notice month in which she would not be required to perform the duties of her office.

MR. GREEN: Yes, Mr. Speaker, my question is was she willing to continue or did she leave upon notice being given? An employer is entitled to give a month's notice and have the employee on the job. Did this employee leave when she was given notice, in which case she wouldn't have to be paid, or was she asked to leave?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. MCGILL: Mr. Speaker, that provision was given to her to be able to have that additional month, where she would not be required to perform the duties, and that was part of the terms of the notice of the non-renewal of her contract.

MR. GREEN: Mr. Speaker, I'm obviously not articulating very well. Was the employee permitted to complete the last month of her duties, for which she was given notice?

MR. MCGILL: Mr. Speaker, that request was not made by the employee and the terms of the non-renewal of the contract contained that opportunity for her not to have to complete that month's service.

MR. SPEAKER: The Honourable Member for Inkster, with a fourth question.

MR. GREEN: Mr. Speaker, I'll yield to any member who has another on, then get back to it.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, was the employee, in fact, requested to leave for the last month for which she was given notice? The Honourable Minister said she was given the opportunity to leave. Was it in fact indicated to the employee that she would not be permitted to stay after employment for that last month, for which she was given notice?

MR. MCGILL: I don't have the precise wording of the letter of termination, but the wording gave the notice that she would not be required to continue to serve in her position for the month of June, and that her contract would not be renewed.

MR. GREEN: Mr. Speaker, was there any indication to the employee that she was not —(Interjection)— Mr. Speaker, I'm dealing with the an employer and an employee. Was the employee permitted to finish the last month of employment, or was she in fact told that it was desired that she not come in beyond the 31st day of May?

MR. MCGILL: Mr. Speaker, I don't think I can make it any clearer than to paraphrase my recollection of the terms of the written notice to the Executive Director, which indicated that she would not be required to serve for the month of June, and that the contract would be terminated on that date.

There was no request made by the employee that she would wish to continue during that month, and I think the matter was clearly stated in the letter.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, my question is to the Minister of Health. It flows from a television interview last evening with the director working with young boys and girls in the inner core of Winnipeg, with respect to a program of amelioration relative to those young people in the inner core who have problems of gas sniffing, glue sniffing, etc. Can the Minister indicate whether it is correct that this social program and effort relating to a particular group of young people in distress, and which has been funded in the past by the Red Feather, United Way, and by the Province of Manitoba, that this program is no longer to be funded by the Province of Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

HON. L.R. (Bud) SHERMAN (Fort Garry): No, I can't, Mr. Speaker. I'd have to take that question as notice.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Mr. Speaker, I'd like to address a question to the Minister of Labour and ask the Minister if she is in agreement with the general policy that is often prevalent in government departments and in government generally when new programs are introduced, to allow employees or to allow staff to upgrade themselves to improve their qualifications by internal training or perhaps through leave of absence to upgrade themselves. Is she generally in agreement with that policy?

MR. SPEAKER: The Honourable Minister of Labour.

HON. NORMA L. PRICE (Assiniboia): Yes, Mr. Speaker, I am.

MR. EVANS: Would she be prepared to allow such education processes to take place among the Safety and Health staff to enable them to be in a better position to carry out their duties, to carry them out more effectively, and over-rule certain obstruction that seems to be present by the Deputy Minister and other senior people with regard to this? There seems to be some blocking of training of these people.

MRS. PRICE: I don't think there is any deterioration in the Training Program now, any more than there has been in the past, and we have an ongoing training with our inspectors with the different departments to make sure that they are all kept up.

MR. EVANS: Well, is the Honourable Minister saying now that she believes her staff in the Workplace Health and Safety Division are fully qualified, or qualified up to the levels of the new responsibilities required of them under this new legislation? Is she satisfied that they have arrived at that, or is she telling us that they do require more training and she is going to ensure that that training can and will take place?

MRS. PRICE: We have the same amount of staff, with the exception of the replacement of the director, in the Workplace Safety. We are never fully satisfied that the training is 100 percent and, as I told the Member for Brandon East, we will continue to monitor it and make sure it is up to full standard.

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS: Thank you, Mr. Speaker. My question is to the Minister of Labour and it's dealing with tests taken by her department for personnel working in plants where lead poisoning takes place. Can she explain why last year laboratory tests took two weeks to get an answer and this year it's taking anywhere from four to six weeks for the same tests that took two weeks last year?

MR. SPEAKER: The Honourable Minister of Labour.\$

MRS. PRICE: Mr. Speaker, I am not aware of the two weeks last year versus the four to six weeks at this point. I will look into it.

MR. JENKINS: A supplementary question to the Minister. Could the Minister inform us how long it would take if a union requested a clean air and pollution test of a plant today; how long would it take her department to make that test?

MR. SPEAKER: The Honourable Member for Logan with a third supplementary.

MR. JENKINS: Mr. Speaker, my supplementary question, then, and the one that the Minister didn't answer is: It is my information — and I have had it verified this morning — that if a request was made today it would take until the month of October before such a test would be made . . .

MR. SPEAKER: Order, order please. Order please, order please. May I suggest to the honourable member that this is not a time for statements; it is a time for questions. The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, I'd like to then direct a question to the Minister of Labour. I wonder if the Minister could tell us would it take until October to conduct this type of test?

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: I will check it for him' Mr. Speaker, but as I told the Member for Brandon East yesterday, I would come back with a report for him on lead poisoning and all the preventatives that go with it to avoid the occurrence of it.

MR. SPEAKER: The Honourable Member for The Pas.

MR. McBRYDE: Mr. Speaker, I would like to direct a question to the Acting Minister of Northern Affairs, in the absence of the Minister. I wonder if the Minister of Northern Affairs has been successful yet in his efforts to dispose of the Pakwagan operation at Wabowden.

MR. SPEAKER: The Honourable Minister of Mines.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, in the absence of the Minister of Northern Affairs, who is away on government business, I will take that question as notice.

MR. McBRYDE: Mr. Speaker, I wonder if the Acting Minister could assure us that a press release on the subject will not be issued this afternoon but will be announced in this House when that decision has been made.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. MCGILL: Mr. Speaker, on Wednesday last, the Member for Fort Rouge asked a question relating to Bell Canada and its contract in Saudi Arabia for the installation of an automatic telephone system.

I think the question, Mr. Speaker, was whether Bell Canada was recruiting personnel through the Trans-Canada Telephone System for the Saudi Arabian project.

I am advised, Mr. Speaker, that employees of MTS and other Trans-Canada telephone system companies are being given the opportunity to participate in that project through Bell Canada and employee participation in the project is strictly voluntary. But I am advised further that it would be financially rewarding to anyone who chose to become involved. Bell Canada will pay all costs of salaries and benefits for the employees while they are in Saudia Arabia and, in addition, will pay MTS a premium of 40 percent of each employee's basic salary.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I thank the Minister for that information. I have some questions relating to it. Considering that Bell Canada is presently under inquiry from the federal Human Rights Commission concerning that contract with Saudi Arabia and certain discriminatory clauses in the contract that it signed, does the Government of Manitoba take on any responsibility or obligation to inform its employees of Manitoba Telephone System that there is such an action being taken in the Human Rights Commission and that acceptance of employment in this in some way would make the Manitoba Telephone System complicit in this action?

MR. MCGILL: Mr. Speaker, I am advised further that the applications are being accepted without any restrictions or qualifications as to nationality or religion. The applicants are being recruited from management level. It may well be that when applications are submitted that some will be rejected and others approved and the reasons for that have not been stated, to my knowledge, in any of the preliminary approaches that have been made by Bell Canada. There are no restrictions as to the people who can apply.

MR. AXWORTHY: A supplementary, Mr. Speaker. Would the Minister undertake to gain a reading either from the Federal Human Rights Commission or perhaps from our own provincial Human Rights Commission as to what the conditions and criteria in those contracts are and whether they in fact do contain any form of discriminatory clauses or conditions. Would he be prepared to get a reference

on that matter so that there would be no danger or any potential that in any way the Manitoba Telephone System or its employees would be complicit in an act of discrimination insisted upon by another government?

MR. MCGILL: Mr. Speaker, my understanding is that there are no clauses in the contracts being offered that would indicate any discriminatory positions being taken but I will certainly direct further questions in this respect following the member's latest question.

MR. SPEAKER: The Honourable Member for Burrows.

MR. BEN HANUSCHAK: Yes, Mr. Speaker, I have a question for the Minister of Labour responsible for the Civil Service. Can the Minister inform us whether it is the practice of government that a notice of termination of employment implies immediate cessation of employment not unless an employee indicates a desire to the contrary, that is, to work out the balance of his term of notice?

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: I'll take the question as notice, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you, Mr. Speaker, my question is to the Minister of Education. On Wednesday, May 24th, I asked the Minister a question regarding the Norway House School and whether or not approval had been given definitely for that school for this year. Could the Minister indicate now, further to his understanding he gave me that day, if definite approval has been made and, if so, when construction is expected to commence.

MR. SPEAKER: The Honourable Minister of Education.

MR. COSENS: Mr. Speaker, I'm certainly pleased to be able to affirm the member's concern in this area and say that that school is going ahead definitely and construction will probably start in 1979.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. I would like to address a question to the Minister of Health who I would thank for finally replying to my written question of April 6th respecting the increased number of vacancies at the Brandon Mental Institution. I would like to ask, by way of clarification, is it still the policy of the government, of the Minister, to eventually eliminate all non-bulletined or contract positions at the Brandon Mental Health Institution?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: No, Mr. Speaker.

MR. EVANS: Mr. Speaker, is there anything significant about the fact that in a period of about one month and a half, or less than one month and a half, the increased number of vacancies in the nursing staff went up by seven. In other words, there were five vacancies in nursing staff on March 31st, and there were 12 on May 10th so in a period of one month and a half, or less, there were seven fewer nurses in the Brandon Mental Health Centre. Will we see a continuation of that trend or is there any explanation for a sudden drop in the number of nurses at that institution?

MR. SHERMAN: I'm not sure that there is a specific explanation for that, Mr. Speaker. There was a fairly substantial rate of attrition during the period of April. Whether it was related to the season of the year, I can't say. Whether it was maternity leaves and resignations based on that kind of situation, I can't say, but the answer that I gave my honourable friend to his first question remains. There is no such policy as the one he alluded to.

MR. EVANS: Yes, well a supplementary then, Mr. Speaker. Then the Minister is assuring me that there will not be any large-scale layoff or reduction of medical services and indeed support services at that particular centre which apparently is a fear that is prevalent in the minds of many of the

employees of that centre. There is a great deal of fear that there will be substantial layoffs whether it be slowly or quickly but that they will be coming, both on the medical and non-medical side. Is the Minister assuring me now that no such massive or large-scale layoff or reduction in staff will be occurring?

MR. SHERMAN: Yes, Mr. Speaker, I can give the honourable member absolute assurance of that. In fact from the point at which we stand right now at the Brandon Mental Health Centre, any further vacancies occurring from this point forward can be filled immediately.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. LAURENT L. DESJARDINS: Mr. Speaker, I have a question for the Minister of Health. He might want to take it as notice and have it ready for the continuation of the Estimates. I wonder if we could have a list of the total staff man years, term employees, permanent, of the the Health Services Commission and also what was approved in the Estimates of last year, I meant 1977-78, and the vacancies as of approximately November 1st and the vacancies now. In other words, the same information that we received for the department.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Highways.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, some time ago, or a few days ago, I think in response to a question from the Honourable Member for Rupertsland, I undertook to find out about some road work proceeding in the Moose Lake area. I wish to advise him that that is taking place at this time.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, to the Minister of Finance Now that we are more than 30 days beyond the closing of the books on the last fiscal year, I should like to ask the Minister of Finance if he would be prepared to bring forward some summary information to show at the closing out of the last fiscal year, the amounts of authorized funds under current that were not expended, in other words, to be lapsed and the amounts under the old capital account that were in fact not utilized pursuant to the voted authority. I ask that in light of the fact that during the course of the consideration of Estimates of spending of the various departments, we are finding indications varying from small amounts to large amounts of authorized voted funds that in fact didn't have to be spent and weren't spent. Can we get this in aggregate form for both current and capital purposes?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I think we gave the amount with regard to the capital and with regard to the current which lapses automatically. That information I presume will be contained in the quarterly statement that will give the information with regard to the year-end position. I'm not sure of the preparation stage of the quarterly statement but it would normally come out around the 1st of July, that sort of date, inasmuch as the books for the final quarter don't close until April 20th rather than March 31st. But with regard to the lapse on the current account, I would think that would be available for that statement at least; whether it's available at this time or not, I can't advise the Leader of the Opposition, but the capital account itself, as I recall, the figure was somewhere in the order of \$38 million, or on that order. As far as I know, there should be no change in that figure.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Just a brief supplementary on that, Sir. The Minister refers to \$38 million, and I am accepting that as being approximately correct with respect to capital account not used, not spent last year. With respect to current account, I ask the Minister of Finance, in light of the fact that we are considering the Estimates of several departments now as we go along, that in the Department of Health, we find in one division alone an amount of \$2.8 million or thereabouts not spent, whether the Minister feels that it would be a difficult or an easy task to attempt to simply marshal this together in a one-page summary to expedite consideration of Estimates of the remaining

departments?.

MR. CRAIK: Well, Mr. Speaker, I gave a breakdown on the capital per department, and with regard to the current, there will definitely be some lapsing there. As we indicated in the Budget, there was a reduction of \$15 million, roughly, between November 1st and the end of the fiscal year. So, there will certainly be some lapsing on the current side.

As far as breakdown is concerned, presuming that my Estimates will be up, probably fairly shortly, for the Department of Finance, I would think that might be an appropriate time. If the information is collated by that time, we would be more than willing to make it available on a per department basis.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: I would like to ask the Minister of Consumer Affairs one further question concerning the Bell Canada arrangement. While the recruitment is going on, can he indicate whether any employees or personnel from the Manitoba Telephone System have made application for that Saudi Arabian work project? Does he have any indication that any intend to make application to go on the project?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. MCGILL: Well, Mr. Speaker, I know that the opportunity is being given to, on a voluntary basis, as I stated previously, employees at the management level who may be interested to undertake this. I am not aware of any actual applications that have been made; there may well have been some. But I am prepared to make that investigation for the member.

MR. SPEAKER: The Honourable Member for The Pas.

MR. MCBRYDE: Mr. Speaker, I wonder if the Minister of Highways could give me a little further information on the answer to a previous question that I had asked. I wonder if he could indicate whether the Moose Lake road will be completed this construction season, and if so, by what date does he anticipate it will be completed?

MR. SPEAKER: The Honourable Minister of Highways.

MR. ENNS: Well, Mr. Speaker, I would have to get the actual facts from the department. My information was simply that the contract had been awarded just towards the end of this week, or the beginning of this week, and that the work in general will be undertaken this summer.

MR. MCBRYDE: Yes, Mr. Speaker. Since there was 17 miles left, I assume it will be completed. I wonder if the Minister will be issuing me an invitation to the official opening of that road when it's completed?

QUESTION POSED BY MR. EVANS ON APRIL 6, 1978

MR. EVANS: Will the Minister of Health and Social Development provide estimates of reductions in positions at the Brandon Mental Health Centre that are anticipated or planned within the next three months: That is by the end of June 1978?

Will the Minister provide these estimates separately for each department of the Brandon Mental Health Centre and broken down between treatment and non-treatment staff?

ANSWER

MR. SHERMAN: It is difficult to estimate precisely the staffing level at the Brandon Mental Health Centre for June 30, 1978. However, out of a total SMY complement for the institution of 634 (not counting 27 contingency SMYs), there were 55 vacancies on May 10 of this year, as indicated in the Table below. The total was 57 on May 31st.

The Department is in the process of filling five of those vacancies, in the Bulletined category, at the present time, and has received approval that will permit it, if desired, to fill any new ones arising.

It is estimated that by June 30, 1978, staff vacancies at the BMHC will total approximately 50. Such vacancies as have occurred at the Institution are the result of attrition.

The vacancies in the various departments on March 31, 1978 and again on May 10, 1978, were

as follows:

Bulletin as at March 31, 1978:

Medical — 4
Nursing — 7
Social Services — 1
Psychology — 1
Other Treatment — 4
Education — 0
Resources — 7
Total — 24

Non-bulletin as at March 31, 1978:

Medical — 3
Nursing — 5
Social Services — 0
Psychology — 0
Other Treatment — 1
Education — 0
Resources — 5
Total — 14

Bulletin as at May 10, 1978:

Medical — 4
Nursing — 9
Social Services — 1
Psychology — 1
Other Treatment — 6
Education — 0
Resources — 8
Total — 29

Non-bulletin as at May 10, 1978:

Medical — 3
Nursing — 12
Social Services — 0
Psychology — 0
Other Treatment — 2
Education — 0
Resources — 9
Total — 26

The three non-bulletin level vacancies in "Medical" are for Clinical Clerks (Medical Students). These are not normally filled except during the summer months and my Department has just now received authority to do so for the summer of 1978.

ORDERS OF THE DAY

MR. SPEAKER: The time for questions having expired, Orders of the Day.
The Honourable Government House Leader.

HON. WARNER H. JORGENSON (Morris): Mr. Speaker, before I call Orders of the Day, I wonder if I could have an indication from honourable friends opposite if they're prepared to proceed right now on Bills 38 and 39? If not, then I'll call a different order of business.

MR. SCHREYER: Mr. Speaker, unfortunately, with respect to Bills 38 and 39, neither my colleagues, the Member for Selkirk nor St. Johns, are here. I regret that, but in light of that I would ask the House Leader to consider whatever other alternatives there may be.

MR. JORGENSON: Mr. Speaker, in the absence of the Member for Inkster, will you call Bill 14, and then if the Member for Inkster returns, you can call Bill No. 11, after completion of the debate on Bill No. 14, and then take the bills in the order in which they appear on the Order Paper.

GOVERNMENT BILLS — SECOND READING

BILL NO. 14 — AN ACT TO AMEND THE INCOME TAX ACT (MANITOBA)

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I've listened with some interest, and read the comments that have appeared in Bill 14, and I think it's important to put some comments on the record because this bill tends to summarize in large part the philosophy and whatever thrust the new government has, in many cases, is contained within this bill, because it embodies the notion that the economic performance of the Province of Manitoba is basically tied to the tax cuts that the government announced as being its primary economic goal and objective. And, it's around that issue, Mr. Speaker, I think that much of the debate of this House over the past couple of months has centered. All the discussion over cutbacks and restriction on services and the limitation on government and re-organizing of structures and personnel in Civil Service have all been done in the name of trying to cut back certain public expenditures so that the amount of money could then be transferred back into private hands and thereby stimulate the economy. I think that that, without trying to be pejorative in any way, is maybe a fair summary or description of the philosophy of this government, and how they approach their economic management of the Province of Manitoba.

It's under those circumstances, Mr. Speaker, that I think that it's useful to examine some of the implications and consequences of their statements, as well as some of the issues that have emerged from the debate, which I think are useful to point out. The one thing that strikes me right from the start, Mr. Speaker, is that this debate over the tax cuts contained in Bill 14 have been shaded as much by the controversy that has raged about the federal-provincial relations in budget-making and in taxation policy. It strikes me that while there has been a great deal of heat generated over this issue, and still is, in terms of the conflict between the Province of Quebec and the Federal Government, and as the Member for Seven Oaks commented in his remarks a few days back, he felt that it was incumbent upon Manitoba to have struck a better bargain in those negotiations; that we didn't — I think his words were "hang tough enough, long enough" — in terms of getting a better deal for the province.

It all indicates, Mr. Speaker, coming back to perhaps a fact of life that we're going to have to recognize and that is the increasing difficulty, making financial or fiscal decisions in an independent fashion in terms of the different governments, that independent economic authorities, such as the Economic Council and the Conference Board, have all suggested that in the future, if we're going to maintain any kind of a concerted economic thrust from governments, there is going to have to be a much higher degree of interdependency on the way in which we apply the taxation policies of different levels of government, as economic stimulators. And it strikes me, Mr. Speaker, that at the present moment, the system we have is a pretty rough and ready system, if it's a system at all. It's pretty much an ad hoc system, determined more by political point-making and point-taking than it is by any genuine interest in serving the economic well-being and welfare of the country. It strikes me, Mr. Speaker, that one of the objectives perhaps the Minister of Finance might undertake for himself, in a spirit of goodwill as he can muster at times, would be to put that as part of his priority in the whole tax-making structure, as to how does he go about implementing taxation policies both in the provincial level and in concert with other levels of government so that there isn't this kind of ad hocery and this kind of intermittent decision-making which really works oftentimes at cross purposes.

It strikes me, Mr. Speaker, that it goes back to an article that appeared in The Canadian Tax Journal this spring, which pointed out that the legislative process for taxation policy on both the Federal-Provincial levels are pretty archaic and outmoded and obsolescent. That the way we go about announcing and deliberating taxes really has very little to recommend it in terms of a modern way of operating government. They make many suggestions about the way the taxation policies should be made in the legislative process, where it should be one where certain proposals are put forward for consideration with the opportunity to consult tax experts through committee hearings to work out co-operative undertakings with other levels of government and then have them introduced into a budget pursuant to that. This seems to me a much more rational and logical way of going about the taxation business than the present system where we kind of make grant announcements, like a bolt of lightning from the blue and all of a sudden designed as a kind of a form of political *blitzkrieg*, in order to get the opposition off-guard or to make this sudden announcement.

I can only say as a preliminary to my remarks on the substance of the tax policies, Mr. Speaker, that I think that this government which is taking some pride, or attempting to take some pride in its interest in forming new management techniques and new ways of dealing with government economic matters, to apply itself to the question of how do we go about making taxation policy in this province, whether it really is the most effective and useful way of doing it, and certainly how we must formulate, really, I suppose, a structured way to deal with Federal-Provincial tax matters.

Friday, June 2, 1978

And to make substantial improvements on the kind of federal-provincial conference technique that has been employed in the past either through some form of secretariat arrangements, or whatever it may be. Now I know there are constant meetings of officials going on, but it doesn't seem to work that well and I'm not privy to the internal workings or mechanisms. The fact of the matter is that this last three or four months has demonstrated that whereas there was a high common interest on the part of the federal and provincial governments to secure savings through a reduction in the sales tax which was the most appropriate means of dealing with economic problems, both to stimulate the economy and also to offset inflationary pushes, that while it was recognized that that was the obvious and logical thing to do, that it was fraught with all kinds of conflict and dispute and controversy which I think is a fair demonstration that the system is not working as well as it should be.

So I think, Mr. Speaker, that the first point I would like to make is that the government would be well advised to take a look at the process of tax-making as much as the actual product of it, and that it would be a very important ambition and objective of this government in its next couple of years in office, to see what it can do to work towards a more useful and logical system both in terms of our own legislative procedures and in those in relation to the rest of government.

So, Mr. Speaker, with those remarks I'd then like to direct some comments to the substance of the tax philosophy of this government. The first basis of it begins with the assertion that has been made by the First Minister of this province on all kinds of occasions and that is that he believes that Canadians are over-taxed and that he was particularly critical of the previous provincial government for becoming the heavy sort of tax monster which sort of chewed up and gobbled up all kinds of tax points to apply to the public sector, and he's been equally critical of the Federal Government for doing the same kind of thing. Well, Mr. Speaker, I look at some figures to try to compare as to where do we stand in relation to other countries and other jurisdictions. I think maybe the opposition has done this previously. I don't know if these figures are as, perhaps they're more recent than his because they were just released in April, 1978 where we compare the total tax revenue taken in by the combined Canadian governments in comparison to other OECD countries. That's The Canadian Tax Journal in March/April 1978. It points out that as of 1976 which is the most recent year which figures are available, that the combined percentage of tax revenues as a percentage of the GDP in OECD countries had Canada at a rate of about 35.4 percent which, Mr. Speaker, is on the lower percent of all the nations. That if you look at other nations, for example, that great embodiment of the free-enterprise system, West Germany which has probably the strongest economy in the western world, its figures for a similar thing are 36, which is about similar to our own. And I think that you can go to other countries in Europe, the Netherlands and Luxemburg were around 46 or 47, Norway at 45, Belgium at 40, France at 39 and so forth, and indicate that the countries which have economies which at the present moment are stronger than our own, have a higher percentage of tax revenue being pulled into private sector purposes, which suggest to me, Mr. Speaker, that there is a degree of fallacy in the basic assumption that somehow the tax revenue in itself is the cause of a weak economy.

I think, Mr. Speaker, that this is some evidence that really, if it bears out, really weakens the statement and position taken by the government opposite, because it does suggest that it may not be the amount that's used, it's maybe more important how it's used, in what way is the tax arrangements and the tax system in fact used as an economic stimulator. So it's not the aggregate gross amount of revenue that is derived, it's more a question of how is it utilized, where is it put, where does it get its maximum utility.

In this case, Mr. Speaker, I would suggest that the tax-cut philosophy of this government which was across the board sort of universal tax cuts was perhaps at the time not the best way of achieving it. That we may have been wiser to have looked at tax cuts in a much more selective fashion. To address the taxation problem in terms of looking at different sectors of the economy where there were weaknesses, where there were blockages and using the ability to reduce taxes, if that was the incentive, in a more selective targeted way as opposed to across the board reduction. For example, Mr. Speaker, I would suggest that the primary beneficiary of some of the tax cuts that the Manitoba government contained are people and industries outside the province of Manitoba because we in large part import manufacturing goods to a very large extent, and that many of the tax cuts in terms of purchasing power will be to the benefit of other provinces, and in many cases, to other countries. Now, I'm not saying that we shouldn't be charitable and that we shouldn't have a certain degree of generosity to our counterparts in the other provinces and other countries, but the fact of the matter is that as we have seen in the budget speeches and previously, the economy of Manitoba itself is faltering. That we in comparison to other provinces are in a position of decline, that we rank very very low in the amount of manufactured goods that we export, that the kind of indicators about per capita incomes in the provinces are on a decline.

In other words, we are in danger, we're on a slope, perhaps not a very steep one but we are on a slope, and compared to some of the more aggressively economic economies in places like

Alberta and to the lesser extent Ontario, we are in a comparative disadvantage to them. So it seemed to me that maybe we're carrying generosity too far by saying that we are going to further the system, particularly if you looked at one of the major components in our economic position, is the increase in cost of energy.

MR. CRAIK: I wonder, Mr. Speaker, if the Member for Fort Rouge will allow me to apologize to him. I, unfortunately, have to leave the Chamber for the rest of the morning; and in fact will be away this afternoon; and in my absence I don't want to walk out in the midst of his very good presentation. The Member for St. James will be taking notes and I'll be replying from the Hansard record. I just wanted to forewarn him, I'm not walking out on him.

A MEMBER: As long as you read Hansard.

MR. AXWORTHY: Thank you, Mr. Speaker, I appreciate the Minister's courtesy and I hope that he may have time to read the notes — I know that he's a busy man — but there may be a kernel of . . .

MR. MINAKER: Just don't talk too fast.

MR. AXWORTHY: Just not talk too fast, that's right. I gather that the Member for St. James is taking a very crash course on speedwriting at this point in time.

So, in any event, Mr. Speaker, the point I was trying to make is, that in the question of tax cuts, which I don't object to, I think that there were areas where the description and discussion of those could have been on a more selective basis. And in particular, when I think of the areas of the economy where we are in particular trouble, the application of more substantial and deeper tax cuts might have been more useful in terms of stimulating economic growth, than the across the board cuts that we have now received.

I confess, Mr. Speaker, to be arguing, in part, from a position of not knowing exactly what the impact will be because no one has said in this House, or has predicted, other than in totally rhetorical terms, what they expect the economic stimulant of the present tax cuts are expected to be. There has been very strong affirmation that this will be the economic stimulator we've all been looking for. But no one has given me any figures. No one has said that we expect economic growth in the province to increase by 1 or 2 percent, or employment to go up by 10,000 as a result of these kinds of cuts. It's been just a sort of a general position that the cuts are good in themselves and that we need them in order to provide confidence in the economy, and whatever. But no one has given us any mark to measure it against. No one has said, if we do this, this is going to be the result, and what is the mark that we use to measure?

So I argue in part, Mr. Speaker, from a disadvantage because I don't know what standards the government is going to measure its own performance by. I would suggest this, that I think that there are some areas of the economy in the province in which some measurements could be applied and where a tax application, particularly in providing, you know, either an incentive or a cut might have had a greater impact.

Let's look for example, Mr. Speaker, at the area of Research and Development. It has now become clear, I think, as each government sort of has circled around this problem, that one of the dominating weaknesses in the Canadian economy, right throughout in every province, has been the substantial, sort of, weakness in our ability to produce high technology industries, and that is particularly true in a province like Manitoba. We have been guilty as a country since the 1950s, I would say, of relying too much upon our natural resources as the basis of our economic well-being and we haven't applied ourselves to using those resources and deriving out of them sort of a highly specialized industries, in processing or product making, that would develop high technology and therefore highly skilled jobs.

The Federal Government has now recognized this, the other provinces are recognizing it, and yet there was nothing in the tax position that I could see in this government's approach, that addressed that problem at all. The Federal Government in its latest budget announced 150 percent write-off on certain R and D developments, on the capital side and on expenditures. We haven't done anything to complement that particular position, Mr. Speaker. There has been nothing in the way of using an incentive to industry in this province to get itself more heavily involved in research and development. And yet, Mr. Speaker, I would say that there are some very good opportunities in this province.

We have a strong agricultural base. It is our primary economic asset and yet we haven't taken that agricultural base and looked at the kind of technologies that might grow out of it that would not just simply provide jobs for the farmer growing the product, but would also provide a much higher range of jobs using skills in many of the smaller communities using a technological approach

to both processing and new products. Very little of this goes on in the province. I spoke to some agricultural economists of the University of Manitoba who were saying, "How much do we really do in this field? How much have we developed in these areas?" And they point out that there is very little in the way of innovation going on in terms of applied research and development. Not very much at all. And yet, Mr. Speaker, it would be one of the major ingredients of growth for smaller communities in the province of Manitoba because high technology industries can be applied through work forces of 10, 15, 20 people, which are very very compatible with smaller communities, and yet there is no incentive being given nor any direction being given.

And that combines at the same time, Mr. Speaker, with the policy which almost contradicts it and that is a seeming rejection of the need to promote and improve skilled manpower in this province.

We are going through a period, which I think is a temporary one, where there is high unemployment amongst young people, and yet I would predict, Mr. Speaker, that within the matter of two or three years — perhaps as early as 1980-81 — the major economic problem in Manitoba will not be the surplus of workers, but a shortage of skilled workers; that we will be desperately short of the skilled craftsmen and tradesmen that we need.

In fact, a figure that I saw which really frightened me is that a large percentage of our skilled craftsmen and tradesmen in the province are over the age of 45 or 50, and in many cases are foreign born; that we are not doing a particularly good job of bringing into the work force, highly skilled tradesmen and journeymen and craftsmen, that become employed in the higher technology or semi-technology industries; and yet we have an aging population who have these skills and we're not really replacing them with anything.

At the same time we have policies, as I have listened to them expressed by the Minister of Education and responsible for Manpower and others, that the thrust in the educational field has been almost to provide a deterrent towards the evolution of those kinds of skills. I would suggest for example, Mr. Speaker, that one of the areas where again the economic instruments of the government could have been employed in preparing and developing skilled manpower, would be to substantially approve the apprenticeship program in this province; to provide sort of the work training arrangements so that you could have a much higher volume of people coming into the apprenticeship programs acquiring skills under the government using its tax incentive basis for providing a carrot for employers to engage in that. As well I think it's up to the initiative of the Minister of Labour to open up the apprenticeship programs and providem the on a much broader and wider scale than it is. Because I think, Mr. Speaker, and I don't like to be a consenter, but that will be our problem two years from now. We'll be wrestling with the emergence of a shortage of skilled labour and we'll be importing people from the outside.

I guess it's awhile back I asked a question in the House concerning why it was that the railway companies, the CNR, CPR, were importing large numbers of workers from outside of Manitoba when we had a high unemployment rate here and they indicated in many cases they couldn't get the skilled manpower here in the province of Manitoba to supply that.

So I would say, Mr. Speaker, and again I don't have the information or research that the government can command, but from the level of appreciation that I make of the problem, here was something that could have been employed immediately as a way of stimulating a very important sector of growth in our economy, through the tax instruments, and yet it hasn't been employed or applied.

So I wonder, Mr. Speaker, again about the wisdom of the approach that's been taken, and I again assert that I am not arguing the notion of using tax cuts or reductions as incentives. I'm just saying I really question whether it's being done in the right way or whether there's . . . would be the most effective application.

Let's take another case in point, and that is in the area of municipal taxation and property taxation. It again has come clear to me through conversations with municipal officials that what is really going to take place in this budget year is a major transfer of the tax burden from the provincial coffers to the municipal coffers because there has been no substantial or any kind of real assistance being applied to municipalities that deal with the property tax burden in any way. I think the only initiative taken was to deal with the problem of senior citizens which is an individual matter. Yet, every municipality, particularly the larger ones which have a much wider range of services that are being provided are now having to support those services without any substantial increase in support from the provincial level and therefore their only solution, without having to face a taxpayers' revolt, is to cut back on those services.

What is happening, Mr. Speaker, unfortunately — and I hope that I will not keep the Minister of Highways awake that much longer because I know that he needs his beauty sleep, God knows he needs some beauty sleep, so if the Minister wants to simply sort of doze off, then I'll be glad to inform him afterwards of all the pertinent points.

MR. ENNS: I'll catch it all in Hansard, though.

MR. AXWORTHY: That's providing the Minister is going to read Hansard, which I have strong doubt.

Mr. Speaker, the point I would be making is that where the cutbacks are taking place . . .

MR. ENNS: The problem is I can't even build a road for him.

MR. AXWORTHY: That's right, you can't even build a road . . . Actually, Mr. Speaker, what's more important, he can't cancel any roads for me — that's more important — in Fort Rouge. We've already got our bridge.

Mr. Speaker, the question is, that where the cutbacks are taking place at the municipal level are really on what is called the soft services. That is the area which oftentimes governments find easiest to cut first when expenditures or revenues get short, and it is in those areas which don't show up in any kind of gross national product indicator, or gross provincial product indicator, because those so-called soft services — mainly human services — can't be analyzed with the same kind of accuracy that a hard construction project can be employed.

Yet, Mr. Speaker, it is those areas which oftentimes affect the people who have the least ability to protect themselves, that it cuts back into areas providing a certain quality to life, and in many case have, in their own way, an economic asset to them. I think it's been common knowledge that one of the particular attributes of the Province of Manitoba has been the ability to attract people to locate here because of the quality of life in the City of Winnipeg and elsewhere, through our cultural activities, our museums, libraries, schools and what not. That has been one of our assets. We've been able to sell people on the fact that living in Winnipeg is perhaps better than living somewhere else because of the things that we offer, and yet it is in those very areas that we are slowly eroding that base. You know, it's a little chip here and a little piece there, but slowly we are reducing the quality of those services and as we reduce the quality of those services, we are going to reduce the attractiveness and the incentive for people to locate. We would simply become like any other city, I suppose.

I know that the members opposite say, "Well, these are tough times and hard times and we'll have to cut in our bill." —(Interjection)—

A MEMBER: That's because of the deficit.

MR. AXWORTHY: Well, whatever the reason is, and I think we all agree that certain belt tightening is necessary, and restraint and austerity are useful approaches. But again the question that I'm concerned about is where it is being applied and what the ultimate consequences will be. Because if the consequences of this belt tightening and austerity and restraint are to in fact reduce our ability to attract new industry, to retain skilled workers, to develop new skills, then, Mr. Speaker, it is a perverted policy because it really is working at cross purposes to itself; it really will not achieve its end results simply because it will not be able to provide in any way, shape or form the kind of stimulus that we need.

So, Mr. Speaker, the fact of the matter is the taxation policy of this province, I think, was created in haste and without a great deal of forethought about the ambitions and objectives for economic promotion and growth in the Province of Manitoba. It was done so, I guess, because of the sort of hot flushes coming out of the election and everyone wanted to parade their accomplishments very quickly, and I suppose these kinds of tax cuts would be the simplest way of doing it. But simplicity sometimes, Mr. Speaker, is not the best kind of government policy. What I am afraid we will be seeing in the near short time is that we have avoided some of the opportunities that should be available to us to employ tax incentives in an effective way and, at the same time, damage some of our assets.

Now, let me move on to another area which I think is important to talk about, because the Minister responsible for Housing and the MHRC spoke on this debate with some degree of vehemence and emotion which only he can command, and suggested again that this tax position was going to be of a great assistance in his own field of endeavour. Well frankly, Mr. Speaker, I found that an extremely curious argument to make, because what the present tax position is going to do is transfer an increased burden to the property tax owner, which will make the potential of home ownership more difficult to come by, it's going to be a deterrent. I would point out to him some figures that he should look at, and that is the increasing number of defaults in mortgage payments, the increasing number of defaults in the Assisted Home Ownership Program and mortgage payments by young couples. In other words, home ownership is becoming an increasingly heavier burden and yet nothing is being done by this government to provide any relief of that particular problem. .

So here we have a government — and I've heard the Minister of Housing and other members

opposite speak at great length about the value of home ownership as being the kind of backbone of our kind of middle-class community and that it's a way of having stable communities and a way of maintaining a degree of responsibility in our life and our times. Yet, at the same time, you can see the signs of erosion taking place; you can see that it is increasingly becoming more difficult to own homes or to maintain them, to improve them, and there is nothing in this tax package that would either encourage the redevelopment or rehabilitation of older homes so that young couples could get into the housing market at a lower rate; there is no help to improve them, or help in the purchase or ownership of a house — nothing whatsoever — and yet rather than doing their across-the-board corporate tax cuts, they could have used the same amount of money to say to young couples, "We think home ownership is important; let's give you a break; let's help you buy that older home; let's help you fix it up; let's help you stabilize that community and get yourself into a position where you've got some capital asset." Nothing was said and yet the Minister of Housing got up and argued that this was the best of all possible roads; there was nothing more he could do.

I read his speech carefully and it said, "What is he doing?" Well, we went through his Estimates debate and we said, "What specifically is the Province of Manitoba going to do in the field of housing that's going to help anybody? Are you going to put . . .?" Well, they've pretty much have eliminated themselves on the low-cost housing field. They said, "Well, look, it's a Federal program which will now provide 100 percent financing to do that." They said, "We may build some units in the central city but there is no commitment as to how many." I must confess to being suspicious when I don't get any numbers or figures attached to it.

There is no assistance at all for home ownership or for rehabilitation. There is no assistance for apartment building at a time when the supply of moderate cost apartments is almost non-existent. So here is the Minister arguing that they are doing everything they can and yet when you look at what they've done, they're doing nothing. Now does that simply go back to the philosophy that that government is best which governs least, or do they really think that what they're doing is going to have some impact. Well, I would suggest, Mr. Speaker, it will have no impact at all at a time when there is serious problems in the housing field that could be answered or responded to by, again, a selective tax approach or a selective form of assistance.

So here we have, Mr. Speaker, what I am trying to pose, I guess, to the Minister of Finance, if he looks at the notes, is to say, "Let's accept your premise that we needed to have forms of tax reductions or incentives, both for economic growth and to provide for other sort of valuable objectives in the community. What I am posing to the Minister of Finance is that not his approach of across-the-board- two percent cuts was the wrong way of achieving the objectives that he set up and that we would have been much wiser to have taken the same pool of money that was going to be available and done it on a selective basis in housing, research and development, property taxation assistance, industrial growth and development, and in work incentives and training incentives. That would have been a much more useful application of those reductions and we would have, as a result, I believe, put together some foundations for improved economic growth and assistance in the Province of Manitoba.

So what I'm simply countering is that there are other ways of dealing with the tax problem, reducing the burdens, and in some ways that we could have reduced tax obligations and liabilities and, at the same time, done an awful lot more to provide for a positive, assertive incentive for growth and development in the province.

MR. SPEAKER: The Honourable Member for Kildonan.

MR. PETER FOX: Mr. Speaker, I move, seconded by the Honourable Member for St. George, that debate be adjourned.

MOTION presented and carried.

MR. JORGENSON: Mr. Speaker, I wonder if the Member for Logan is ready to go on Bill No. 28.

MR. JENKINS: I'd like to have the matter stand, Mr. Speaker.

MR. JORGENSON: Call Bill No. 25.

BILL NO. 25 — THE CATTLE PRODUCERS ASSOCIATION ACT

MR. SPEAKER: The Honourable Member for Swan River.

Friday, June 2, 1978

MR. DOUG GOURLAY: Thank you very much, Mr. Speaker. I am pleased to rise in support of Bill 25. I'd like to commend the Minister of Agriculture for bringing this bill forward at this particular time in the interest of cattle producers.

We all know that the cattle producers have requested a provincial association for — I think it goes back to the 1890s or 1891, or something like that — and I know that as long as I have been associated in the agricultural field various producers have really stressed the importance of having a provincial association.

Since this bill has been introduced, I have experienced very little opposition to it from constituents in the Swan Valley area. I have had some opposition but mostly from people who have gone out of the beef business, or else their beef enterprise is only a small part of their total farming program.

As a matter of fact, some people that were in opposition to the bill advertised for a meeting back in the early part of April and asked if I would be available to attend this meeting, which I was happy to do. I know that they advertised the meeting very extensively on radio and in the newspapers and I was hoping that there would be a good turnout at this particular gathering to find out just what the people in the area were thinking about Bill 25. To my surprise, there were only some 30 people in attendance. The people promoting the meeting had brought in a speaker from outside the area and this particular speaker brought in three or four other people with him that I presume were in opposition to Bill 25. But of the total attendance of 30 people, including the individuals from outside of the area, I would say that approximately half of them were supportive of Bill 25.

It was mentioned by the speaker — I believe he came from Strathclair — speaking in opposition to Bill 258 he mentioned that it was not necessary for producers to have any funding and yet when it came to the close of the meeting one of the members mentioned that we would have to take up a collection in order to pay for the expenses of bringing the speaker in and also to pay for the hall rental. I think that that was perhaps a minor point, but still producers want to promote their industry and they want to have some funding in order that they can do this.

I think that the comments from the Member for the constituency of Inkster should be considered. Certainly farmers and cattle producers are not happy with any snooper clauses that might be contained in Bill 25 and the Minister has assured us that no one is going to be compelled to participate in this program. And so I think that we can be assured by the Minister that any changes that might be necessary in this bill will be made.

The name of the game is voluntary but I do not suggest that we have any front-end opting out in this particular bill. Similar to other organizations — and I don't necessarily refer to the agriculture field — there are always those freeloaders that will go along for the ride and certainly I think that the check-off system will be handled in such a way as those particular people who don't want to contribute can certainly opt out from that.

I think because of the voluntary intent of this legislation it would be, in my opinion, very ridiculous to go to an expensive producer vote on this particular Bill 25. Members opposite were not concerned about democratic principles when they had a compulsory check-off on the milk producers; members opposite were not concerned about a compulsory check-off in the hog marketing back a few years ago. And I'd like to say that thousands of dollars have been spent on commissions and reports in recent years, finding out what the producers have been saying and wanting.

For instance, just back in 1975 there was a joint livestock advisory committee and it was made up of some 13 producers appointed by the Minister of Agriculture of the day. I understand and I know for a fact that there were some 28 public meetings held throughout the Province of Manitoba. These meetings were widely held from one corner of the province to the other, from east to west and north to south. And these public meetings gathered accurate reflections of producers' opinions: Approximately five to two the ratio in favour of a check-off without going to a vote. And this was basically supported by nine members of that 13 producer group. I believe there were four producers who also submitted a minority report, which may have suggested that wider powers be given to an association.

However, in view of the fact that these 28 meetings were held throughout the province and it was determined that the producers were in favour of having an association, they wanted a check-off but they certainly didn't want to have a more comprehensive plan involving wide marketing powers that the Minister of Agriculture of the day suggested be included in such a vote.

Now, I mentioned that thousands of dollars have been spent on determining what livestock producers really want. I understand that the joint livestock advisory committee spent some \$250,000 conducting these meetings and finding out that the producers wanted an association and finding out that they didn't want to have a check-off but still the Minister of Agriculture of the day built in some additional comprehensive powers which resulted in a negative vote.

I'd like to also refer to the vote that some of the members opposite referred to that was held back in 1974, and it was promoted by the Manitoba Beef Growers. It was rejected by a narrow

margin of about four to three — a ratio of four to three. I understand that many of the producers that opposed the bill at that time really voted against it because of the wide powers that were going to be given to such an organization.

When you go to a vote it is very difficult to determine the definition of a producer who really should get a vote in a beef check-off. I know that in the last vote we had, we had much difficulty in determining who would be eligible for a vote. I know a particular case in the Swan Valley area where a large livestock producer and his two sons were selling something like some 1,000 head of beef cattle a year and were entitled to one vote and yet a chap further down the road who was working part-time in town and bought the odd dairy calf to finish off, he was also entitled to one vote, which seemed very unfair. I believe that there was so much opposition to the definition of a producer, at that time, that some changes were made at the last minute. So there was some area of confusion as to really who was a producer and who wasn't a producer.

I think that it would be advisable to let the cattlemen define themselves who a producer is and there are provisions in this bill, under the administration bylaw, if they so decide that they would like to have a vote at some time or other. It would be up to the cattlemen to decide the definition for a producer and those that would be eligible to vote.

I feel that members opposite are really afraid that this Bill 25 and this proposed Cattlemen's Association can really work. I really think that the members opposite are afraid of it because we are prepared to give the cattlemen some freedom to operate their own business and if this does succeed it really is a serious blow to the NDP philosophy.

In particular, I'd have to refer to the Member for Burrows. He more or less insinuates that the cattle producers are nothing more than a bunch of racketeers and he compares them . . . —(Interjection)— That's right; the Member for St. George, this is absolutely right. The Member for Burrows said that you talk of the casino operations and the blackjack tables; that's nothing compared to what this bunch of cattlemen can do. So, in all seriousness, the members opposite, I'm sure, really don't appreciate the workings and the thinking of the farm people and in particular the cattlemen.

You know, referring to the Member for Burrows when he was talking, he reminds me of a clucker and I'm not sure if you know what the definition of a clucker is. —(Interjection)— Now, this is a clucker. You know, I was raised on the farm and being the youngest of four boys, I was able to get all the chores like looking after the pigs and going for the cows but also gathering the eggs. And at this time of the year, and perhaps earlier, you get these darn cluckers in the chicken house. I don't like chickens myself. Back in those days, we didn't have a lot of hens but usually a couple of hundred, and there were always at least 23 cluckers every year. So I detest cluckers and I thought, well, they are not very good to us in those nests but I had always liked ducks and I thought, well, I can get some fertile duck eggs from the neighbour down the road and we will use these cluckers to raise some ducks.

So it doesn't matter to a clucker. She will sit on the duck eggs even though it takes an extra week to hatch them out. And, when these duck eggs are hatched the clucker is proud of her new-found family, but what the clucker can't understand is these ducks, the first day they're hatched would like to go into the water, and that clucker would go to any depth to try and protect those ducks from going into the water. And, so I say to the members opposite that they resemble the clucker when they are trying to prevent the cattlemen of this province from having their own association.

You know the ducks have an inherent trait that makes them able to do this sort of thing even though the old clucker could see that they could swim, but she felt that she knew best for those birds. I would say that most bona fide cattle producers have an inherent trait also, they want to be independent, they want to do their own thing and they want the minimum of government interference. However, I'd be the first to agree that there's times when the cattlemen do come to government for assistance, at times of need and I would say that government should be prepared to listen and help cattlemen through distress periods, and I don't see anything wrong with that. It's gone on for many years and I would expect that it will continue to happen this way in the future.

I'm of the opinion and I'm sure I speak for all of the members on this side, that we have confidence that the producer elected members will carry out the function of the association in the interests of all producers in Manitoba, and by virtue of this Act, all we do is to ensure that we keep them within their authority. Now as the Member for Inkster mentioned, perhaps they have too much authority and perhaps some of these insinuating snoopier clauses could be taken to task resulting in some serious charges against producers. I know that this sort of thing can be amended and I'm sure that the cattlemen themselves would be the first to object to any snoopier situations that might be suggested, that are contained here in the bill.

We are the only province west of Quebec that presently doesn't have an association, provincial legislation covering an association. I understand that these associations are working well in the other

Friday, June 2, 1978

provinces. As a matter of fact they're working so well that the government of Saskatchewan already are bringing in a Bill 73 which would give them control of the purse-strings. I think this just shows that they're another bunch of cluckers in Saskatchewan, the government of Saskatchewan.

I do not feel that this is a breach in our election campaign to be promoting Bill 25, I think it's on the contrary. What it shows is our confidence in the beef producers of this province to work out many of their own problems and less government interference. So, with these few brief remarks in closing, I would say, let us provide the climate and encouragement to the cattlemen of this province. They want and require a provincial association. They do need funding and I'm confident that the necessary responsible powers they require can be provided with voluntary participation. Thank you.

MR. SPEAKER: The Honourable Member for St. George with a question?

MR. URUSKI: Yes, Mr. Speaker, would the Honourable Member for Swan River permit a question? I'd like some clarification from the honourable member when he indicated that he felt that meers on this side might be afraid of allowing the cattle producers to run their own affairs. Would the member then be prepared to move an amendment to remove Section 6(2) as it contradicts provisions allowed in Section 6(1) of the Act in terms of allowing the producers to market their own cattle, whereas 6(2) restricts the marketing of cattle?

MR. SPEAKER: Order please. May I suggest to the honourable member that that type of question may better be asked at committee when you're dealing with specific sections. The Honourable Member for St. George.

MR. URUSKI: Mr. Speaker, I won't refer to the specific section. I will ask then the Member for Swan River whether he is prepared to allow cattle producers to do what is necessary to improve their lot in the market place without restricting their freedoms.

MR. GOURLAY: Yes, I think I'm prepared to see that any clucking portions be taken out of the bill.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Yes, Mr. Speaker, after that last speech, riddled with contradictions, I move, seconded by the Honourable the Member for Brandon East that the debate be adjourned.

MOTION presented.

MR. DRIEDGER: I'd like to speak to the bill.

MR. SPEAKER: Before I recognize the Honourable Member for Emerson, may I bring to the honourable members' attention, we have a Grade 10 class from Beausejour Senior High under the direction of Mr. Schmidt. This is school is located in the constituency of the Honourable Member for Lac du Bonnet. We have 60 students from Southwood Elementary, Grade 5 standing under the direction of Miss Barbara Baxter. This school is located in the constituency of the Honourable Minister of Industry and Commerce.

On behalf of all the members here, we welcome you here this morning.
The Honourable Member for Emerson.

MR. ALBERT DRIEDGER: Thank you, Mr. Speaker. As a livestock producer myself, I'm pleased to be able to participate in the debate and make a few comments. I'd like to maybe add a little bit of background to the situation of the livestock producer.

For many years it has been the intention to try and organize a main body for the livestock producers. We have a variety of organizations at the present time. We have the cow-calf operators, we have the beef growers, we have a variety of the registered beef organizations that are involved and an attempt has been made at various times in the past, in fact twice in the last few years by the previous government, to set up a major organization so the opposition members as well as ourselves realize that there is the need for a central organization.

The problem has been on the past two attempts, the way the organization was proposed. Invariably it always tied in marketing and created a lot of confusion for the beef producers as such.

Who then actually requested this present bill? It is a combined effort between the cow-calf operators, the Beef Growers Association and the various registered beef organizations of the registered breeds that requested this bill, and based on that, the Minister of Agriculture has presented

the present bill. There's been a lot of support for it, contrary to the suggestions of the members opposite.

Who is basically opposing the bill? And we have found out that it is the members of the National Farmers Union that are opposing the bill. I'd like to make the comment here, when the Member for Inkster spoke on the bill he was making reference to the members on this side of the House paying off debts and my impression is that what the National Farmers Union is doing, is paying off their debt to the members opposite for the contribution of in the vicinity of \$20,000 a year that they were granted —(Interjection)— by the ND government and which has since ceased, so it's understandable that they would oppose the present bill.

MR. ORCHARD: The agricultural arm of the ND Party.

MR. DRIEDGER: I was rather surprised to see the Members for St. Johns, Inkster, Burrows get up as city members to speak on the bill. I suppose I should not have been surprised because the first two members speak on almost anything and very capably so in most cases. I was surprised that they picked on the legality of this bill as such because I think between the two of them and their capability they could take almost any bill and pick holes in it. In fact when they introduced the Family Law Bill last year, they left holes big enough in there to drive a truck through, a big truck.

Now what is the purpose of this bill? The way this bill has been set up it is allowing the livestock producers to organize among themselves, to do what: to provide information, marketing information. I would like to visualize ground inspections similar to the other provinces. Anybody involved in the beef business at the present time, they need an organization. The other provinces have organizations, granted Saskatchewan, Alberta have percentage-wise much more livestock than we have and I think it is proper that we look along those lines, the leadership they've shown along these lines, and this is basically what we're trying to do.

I think the Member for Winnipeg Centre the other day made a very interesting statement when he said that he felt the farm organizations should educate the consumers so that they were aware of the problems that the farmers are facing in a lot of cases. He made that statement after three members from the opposition had opposed the Milk Board Hearings on the milk increase. Being city members, I doubt whether they had very much information or knowledge as to what was involved, how the system works, why the producers were requesting an increase, and I have to compliment the Member for Winnipeg Centre when he came back and made that comment.

Concern has been expressed by the members opposite that there's too much liberty given to the beef producers because we have no government involvement there. Members opposite seemingly can't visualize any organization run without the heavy hand of government. On one hand, you're saying we give them no freedom, on the other hand you say we give them too much freedom. I would just like to ensure members opposite that being a beef producer and having worked with the beef producers for many years, that if there's anything in this bill that will not work, they will give us the same treatment as they gave the previous government, they'll be here, they'll be asking for changes, or they'll turn down these things. A lot of reference was made, a lot of reference was made to 14 people being able to send people to jail. Well the exaggerations along these lines actually aren't very stable. —(Interjection)—

The other thing is when you consider that over half of our sitting members on this side are rural members, would we be representing a bill that would offend our supporters?

A lot of criticism has been thrown at a particular section of the bill. Reference was made to it under 7(1). I would like to just maybe get a little background on this. Under that section there is a certain provision where the organization would be able to go and check producers as to how much livestock they'd marketed etc. This bill covers livestock dealers as well and the reason for the provision in there was so that an accurate count could be kept of some of these things and the dealers themselves could possibly use this as an out if there is not provision that they would have to file the amount of livestock that they turn over.

Possibly the way it is set up is not quite adequate, I think some of the members here have indicated that if changes are needed possibly some changes could be made. Personally the people in my constituency, the cow-calf operators, they have no fight with this bill at all the way it stands right now, and I personally feel that the front-end opting out should not be gone along with. Everybody has to participate in this thing with the opting out at the end of the year, the way the bill is set up, and that is a personal opinion. The way it is set up, everybody that markets animals will pay and you apply for your opting out at the end of the year. The reason for that is — and it makes sense— it makes sense because the people that will opt out will still be getting the benefit of the work that this organization does. Statistics show in Saskatchewan that between 3.5 to 7 percent of the members opt out.

Anyway, Mr. Speaker, I'm fully in support of this bill. I'm looking forward to the committee working

Friday, June 2, 1978

with it. The members from the organizations, the various livestock producers, are going to be there making their wishes known and presenting their views on this bill. Thank you.

MR. SPEAKER: The Honourable Member for St. George with a question.

MR. URUSKI: Would the Member for Emerson permit a question? Could the Member for Emerson indicate whether there is anything preventing the cattle associations from banding together today to form a single organization even without this legislation? Is there anything preventing them from banding together even without having this legislation? Can they not do that today?

MR. DRIEDGER: I think they are allowed to, or they can probably band together; it's a matter of proper funding and leadership.

MR. URUSKI: To the Honourable Member for Emerson, is there anything preventing the producers from agreeing to levy a fee if they banded together without this legislation?

MR. SPEAKER: On the proposed Motion of the Honourable Leader of the Opposition, seconded by the Honourable Member for Brandon East, that debate be adjourned.

QUESTION put, MOTION carried.

BILL NO. 20 — THE GARAGE KEEPERS ACT

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, the Member for Brandon East is somewhat elusive. I was hoping to call Bill No. 20. I understand he's prepared to proceed with it.

MR. PETER FOX: Mr. Speaker, on Bill 20, the Honourable Member for Brandon East assured me that he had perused it, that he is prepared to let it go to committee so therefore I'm sure we can take care of that matter now.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Well, Mr. Speaker, that concludes the list of bills on the Order Paper. I should like to move then, seconded by the Minister of Highways, 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.

I might add, Mr. Speaker, that we will only be going into one committee today.

QUESTION put, MOTION carried and the House resolved itself into a Committee of Supply, with the Honourable Member for Radisson in the Chair for the Department of Health and Social Development.

SUPPLY — HEALTH AND SOCIAL DEVELOPMENT

MR. CHAIRMAN, Mr. Abe Kovnats: I would draw the honourable members' attention to Page 41, Department of Health and Social Development. We are on Resolution 62, clause 6 — Fitness and Amateur Sport. (a)(1) Salaries—pass — the Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, I am going to suggest a change in the procedure, if the government is willing to agree to this. The Member for St. Boniface is not immediately available and as well has an early appointment. —(Interjection)— Oh, but wait a moment, he has to leave very shortly, that's what he informs me. I was going to suggest that we move to the section dealing with Corrections which could be taken up now and continued immediately after 2:30 if it's agreeable to government.

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Well, Mr. Chairman, I'm sure we can work something out here but I think that we should have a look at possible complications. The arrangement between the House Leaders, as I understood it, was that we were going to reorganize our approach to consider the Estimates of the Health Services Commission immediately after we had finished Fitness and Amateur Sport so that Corrections would come last. As a consequence of that, I don't have my Corrections staff personnel with me and they're not expecting to be on in committee until some time early next week. I can certainly summon them but I would like to ask whether we can't proceed with Fitness and Amateur Sport for the time being, until 12:30 anyway, and if the honourable members opposite want to go into Corrections this afternoon, rather than the Health Services Commission, t's all right with me.

MR. MILLER: Well, Mr. Chairman, if it's that difficult to change this around, then we'll go with the Estimates as shon, with the understanding that we'll go to the Health Services Commission before we go to Corrections?

MR. CHAIRMAN: Is it agreed? (Agreed) 6.(a)(1) Salaries—pass — the Honourable Meer for St. Boniface.

MR. DESJARDINS: I guess the best way is to stand up and then you can't go any further until I've . . . Mr. Chairman, you can't say you can't see me.

MR. CHAIRN: I never said that to the honourable member.

MR. DESJARDINS: Mr. Chairman, I'd like to ask the Minister — first of all in this item, Directorate, there are two vacancies. Now, by the information I was given yesterday, there were no vacancises in November. I wonder what the reason is? Is this being wound up? I can see the Minister's requesting the same six. Is there money in the budget? Is it the intention to fill these positions, or have they been frozen for the time being? If it's going to save time, I intend to ask the same question under the next item, Administration Centre for Organized Sports. There is one vacancy now and there wasn't before.

Another concern that I have is that there is a reduction, not necessarily from what we see in front of us but what actually was approved. I'm sure it's not that much —(Interjection)— yes, what was approved last year — and unless Game Development Branch has been transferred somewhere else, the request actually last year, or what was voted on, was \$334,600 although you have \$263,600 here. Then this year, the Minister is asking for \$212,000.00. Now is this actually the beginning of the end for the branch of Fitness and Amateur Sport with the reduction of staff and the reduction of fees, Mr. Chairman?

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: The vacancies, Mr. Chairman, are two in the Directorate and one in the Administrative Centre. I'm not sure whether the Honourable Member for St. Boniface feels that jibes precisely with the figures that he has in front of him but that's the count at the moment, two vacancies in the Directorate, one in the Administrative Centre. One of the vacancies in the irectorate is a secretarial position. There is no intention to fill it. The other two vacancies are open but in the category of vacancies which would be our intention to fill. The other one in the Directorate and the one in the Administrative Centre haven't been filled yet but there is certainly no decision or intention not to fill them.

MR. DESJARDINS: Well then could the Minister tell us why he's asking this House to approve these number of staff man years when he tells us very frankly that he has no intention to fill it? — I'm only talking about that one position. It doesn't seem to make sense to me if somebody comes in and asks the House to vote the amount to grant this . . . I can understand when you say it's a freeze and eventually we might fill it, I can understand that. The Minister has to protect himself, he wants to see what's going on and he might ask for this position to be filled later on. But now the Minister has said on one of the positions, "It is not our intention to fill it," so why isn't it reduced immediately? What kind of games are we playing, Mr. Chairman?

MR. SHERMAN: The increase in salaries here, Mr. Chairman, is for contract staff, that's what the salary increase represents. In terms of the staff man years, the directorate intends to ask to have that secretarial vacancy to which I referred, filled. The staff man year total is based on the fact that there was a half-term staff man year that was eliminated from last year's complement. Last year's complement was 19.5 staff man years. One of those was a half-term staff man year position

and that was eliminated. Now the other one, the secretarial position which would be calculated into the 19 existing in the complement now, the one being referred to by the Honourable Member for St. Boniface, is still desired by the Directorate and, as a consequence, is built into the total complement. But I have not the granted authorization to fill it as yet.

In the case of the other two vacancies, I have not withheld authorization to fill them. In the case of that, when I have thus far withheld authorization to fill it but the Directorate is still pressing for it.

MR. DESJARDINS: Mr. Chairman, I'm not talking about the increase in salaries; I'm not talking about the term or contract people. If the Minister feels we'll have less staff man years but we want contract people, that's a different policy; I accept that. But that is not what I am talking about here. I said not over last year what was requested compared to last year — the Minister is right, there is half a position. Now, I don't say that I won't come back to that later on; but the Minister said, we're not asking it, we've abolished that. I can understand that; this is his right. But now the Minister is saying, "There are three positions that are vacant that weren't vacant when I took office. Today I'm asking you to approve money and staff man years for a division of the department. I am saying to you, two positions are frozen but we might — if I can be convinced that it's needed — we might hire the people, so therefore, to protect myself I am retaining these two positions." I'm not arguing about that.

But the third one, the Minister said, "It is not our intention to fill that position." Now he tells us the Directorate wants that position but we didn't see in the hospitals and so on what the hospital administrator wanted, what the Nurses Association wanted or what the directors, with Dr. Lowther wanted in 200 more people in Portage. The Minister didn't say, "Well, approve me 200 more." He's saying, the director wants, I don't want them. I haven't approved it. But you people . . . In other words, his director might as well go and sit in his seat and fight for that position himself because the Minister is not approving it but he wants us to approve it. I don't understand that at all, Mr. Chairman.

You know, what kind of a game are we playing? We're working as a committee — not necessarily opposition and government — we're working as a committee and the Minister has said, "This is a job that I don't want; that we will not . . ." His first statement was, "That we will not appoint." When questioned further, he says, "Well, my director wants it, so I'm leaving it in." There is not that many choices. Either it is something that the Minister wants or he doesn't want or maybe, and there's two in the "maybe" category that I can understand and I'm not criticizing that; but the third, the Minister said, "No," but we still have it in, and that doesn't make sense, Mr. Chairman. There's no point in us being here approving money and position when the Minister said, "I don't want to fill it." If he wants to fill it only next year, well let's increase it next year. Now I'm ready to give him the benefit of the doubt and if he says, "Well, maybe," like he said in the other two instances, fine, this is not the same thing at all, and it doesn't make sense.

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Well, Mr. Chairman, all I can say to the honourable member is that the total that appears in front of him and members of the committee today, is a total based on the 19 staff man years that existed in the directorate a few months ago when the budget was struck for the year. At that time, and subsequent to that time, there have been three vacancies in the department. There is no question about the other two. There is some question about whether we will fill the third one or not; but the third one was part of the regular complement on which the budget was based and the appropriations were based and worked out a few months ago.

That decision with respect to the third vacancy is a decision that was taken recently, was taken by me in an elementary way, those discussions are not entirely completed with my director. The attempt is being made to see whether it can be done, whether the operation in the directorate can be carried on with that one staff man year reduction; but it was built into the complement at the time that the Estimates were prepared because there were three existing positions, and it was an existing position at that time. It's only in the immediate past period that, confronted with the question of filling that position in discussions with my director, I have not yet authorized the filling of it. But the figure of 19 was the complement for the directorate when we prepared the budget and the appropriations that are in front of us. If I don't fill that position, it's possible obviously that we may be underspent, slightly underspent at the end of 1978-79.

MR. DESJARDINS: 'You know, the Minister when he first stood up and said, "There are three positions. There's three vacancies. Two of them are frozen as now but they could be open if I'm convinced and if I can convince the Cabinet, my colleagues, that they need it. The other one, we don't want it filled.'" And that's the one that I'm talking about.

Now the Minister is changing it, those two positions, there's no doubt. So that means they should be filled. The other one, there is doubt. If that is his final word, I'll accept that. But that's not the way it was presented originally. I don't care when he says, "Well, that was the thing when the budget was presented." That's why we're here, we can make amendments, and the Minister can make an amendment and say, "I don't want it." I'm not trying to put words in his mouth. But either he wants it, he doesn't want it or he's not quite sure, and I'll accept that if he's not quite sure. He is going to see if it could be done without that staff, and if not, well he wants to bring it in. But his first words were, "Two, we're not quite sure. The third one we know we're not going to fill it," and that's what I'm complaining about. You know, I can't be part of a committee that will approve something that definitely is not going to be done, that's a waste of time and it's ridiculous.

Now as to the Estimates, it's not my fault if the Estimates were prepared a long time ago. There has been no changes and I'm not faulting anybody, but if that is the case an amendment could be made here. That's fine.

So, then I think that I have asked the Minister for also a reason why there was such a cut. Was there a transfer from last year in, for instance, the Game Development Grants were transferred somewhere else or were they cut off completely? But there is, as far as my records are concerned, there is a reduction of \$120,000.00.

MR. SHERMAN: If the honourable member is referring to Other Expenditures, this item has been reduced from \$99,600 to \$76,000 by reducing professional fees, printing and stationery. The major remaining items in the Other Expenditures appropriation cover professional fees in the field of technical resource, general printing and postage, transportation for branch consultants, awards, presentations, etc.

In the Games Development Grants, to those sports participating in the Summer and Winter Games, they're going to be paid out of lottery revenues in 1978-79. So that's why the appropriation being requested is down by that amount, Mr. Chairman.

MR. DESJARDINS: Is it the intention of the government and the department to do away with the Games, did he say, because there is no Game Development Fund, or has that been transferred? Now the Minister might have answered, I was discussing something with my colleague and I might have missed it.

MR. SHERMAN: No, I presume the honourable member is referring to the Manitoba Games.

MR. DESJARDINS: Mr. Chairman, I'm referring to the Fitness and Amateur Sports, (a)(3) Games Development Grants. Last year voted was \$144,000, they've got it here as \$59,000, but regardless of what the figure is there is not a single cent in the righthand corner, which is what we're asked to approve. Now has that been transferred somewhere else? And that's a possibility; or has it been curtailed or is there more money from the lottery funds, I don't know? But this would lead me to ask the following questions: Are we doing away with the Games? Is there a policy of not having them because that's up to the government? I'm talking about the Manitoba Games now, I'm not talking about . . . The next question might be, are we doing anything to help to get our athletes ready for the games that will be in — I guess we don't have too many in the Pan-Am Games — and also the Canada Games in Brandon that will come in in a year or so.

MR. SHERMAN: Mr. Chairman, the explanation for this lies in a transfer of funds. There was \$85,000 for the 1979 Canada Games, the Winter Games in Brandon, which was transferred to Fitness Development. There was another \$59,000 that went to the Canada Summer Games in St. Johns, Newfoundland. That, of course, does not exist or is not necessary in this year's appropriation.

The future Games' funding is coming out of the lottery funds. As I explained to the member, Games Development Grants to those sports participating in the Summer and Winter Games will be paid out of lottery revenues in 1978-79.

MR. DESJARDINS: The Minister said that there was an item transferred to Fitness Development which is (c) in this, and there is not a single cent to the right. The Minister is not asking anything under that. Now how can it be transferred to somewhere when there's no request?

MR. SHERMAN: Well, Mr. Chairman, this reflects last year's vote and I presume that the honourable member is looking at the records for last year.

There was \$85,000 for the Canada Games in Brandon, the 1979 Games. —(Interjection)— Yes. Yes. It was transferred over to Fitness Development.

MR. CHAIRMAN: (1)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, there is something else that concerns me greatly. There is an Act respecting Fitness and Amateur Sports, and that Act was set up to enable the Minister responsible for Fitness and Amateur Sports to have an advisory council. The Act is there. It is quite clear. The government may — that's 3.(1) — provide and subject to the limitations and conditions herein set out, take such measures, undertake such projects and programs and do such things it may deem advisable to promote, encourage and develop the fitness of and the engaging in amateur sports by the people of the province. There is thereby" — and I'm skipping some — "a council which shall be known as the Manitoba Advisory Council on Fitness and Amateur Sports." There is the number and then there's what will be referred to the council. "The Minister may refer any question or matter relating to Fitness or Amateur Sports, or both, to the Council for its consideration and advice."

"Duties of Council. The Council should consider and advise the Minister on all questions and matters referred to it by the Ministers, under subsection (1), and (b) Such other matters relating to the operation of this Act, on the project, programs, measures and things done are undertaken under this Act as the Council may see fit."

Now this has wide terms of reference, far-reaching. There's nothing that can't be done. There was a committee named. This was allowed to lapse for awhile. There seemed to be less need for them. This was brought back; there were nominations made. I can assure the Minister that not at any time, not one single person was chosen because of party affiliation and I think I can prove that. There was one member that was one of our supporters, he said, "What are you doing naming this fellow and he's signing a petition supporting somebody against your own leader in the forthcoming election." But that man was named to the advisory committee. I think that the Minister, himself, will have to admit that they're all very good people.

These people at the time of the previous administration were asked to look at the funds from the lottery. Do it as fast as possible but in a reasonable . . . to be responsible to bring a recommendation to the government what they felt should be done in the field of Fitness Prevention and Amateur Sports.

They were also asked to look at even the Estimates — that's going quite far — the Estimates of the department to see if they felt that we should go along or change course. They were asked to discuss with certain groups such as the Sports Federation to see what the different people would do. There was no ideology hang-up or anything where they were told the government wants to keep this or run this. They were told that the government had a responsibility on mass participation — it felt that it had — that's the way it wanted to go, in mass participation which might not always be what the different sports want. They might want all the money for themselves — and I'm talking about such events as the Manitoba Games — and they were also told that definitely we wanted to . . . our output should be mostly Amateur Sports as related to Fitness, to help the people with fitness. Then there were of course grants, and so on, to different sports.

They were asked to look at the administration centre to see if it should be continued; continue the way it was or turn it over to an organization such as the Sports Federation or somebody else, or a private group, to run the board and get it away just with a grant. In other words, to say, "This is your grant," or even to discontinue the grant and bring grant from the lottery.

Now, as I say, there were people that were dedicated and they worked quite hard. I was surprised, dismayed and disappointed when the Minister — and I feel that this is window-dressing only — a few months after his appointment, named another committee. You know, it seems that they're paranoid; that anything that the former government have done is wrong; you've got to start all over again. As I say, there was an Act — there was room for more. I might say immediately that I find fault with no one on this new committee. I know that some of them are supporters — I did see a single supporter that I know of, but some of these people, I'm not too sure — of our party. I know that some are definitely known supporters of the Conservative Party, and I don't care. Starting with the Chairman, who I would have been very proud, and would like to have on the committee. In fact, I was working on that. I don't say that he would have been approved by Cabinet; I don't know. I met him and I discussed with him, I've known him for a number of years; he wasn't put on; I know that he has a contribution to make. I had quite a few meetings, informal talks with him in St. Johns, Newfoundland last year; I think he has a role to play, and I want to make it quite clear, I don't care if my honourable friends have taken these people, put them on the Advisory Committee, changed the Chairm8n — said Jim Daly is going to be the Chairman — that would have been all right. And even if he wanted to remove some of the others — but why, why pretend that nothing is ever done by anybody else? Why re-invent the wheel? Why leave dedicated people that are, according to the Act, on the Advisory Committee and leave them in limbo, not knowing what they did wrong or why there's no confidence in them? Why wasn't the new members — or in fact, if they should have been all dismissed, if the Minister wasn't sure that they could do the job — but why two Advisory Boards to the Minister, and one thing on fitness and amateur sports?

plus, an association that he is personally very close to, the Sports Federation. What kind of duplication is that? I think that this is absolutely wrong; I think it was just a play to — well, what is it? It's window-dressing; nothing else. The Minister, in fact, most of the things that he's reported to — I could say, all of it — the Advisory Council has been asked to look into it. They had made some recommendation that we didn't have a chance to look into all of them, because the election changed all that. But just before the election, some of the announcements were made and they were a group, and I'm sure the Minister, when he stands up, will not be able to say one word against any of those people on that Board.

So, why? Wouldn't it be simple and — you know, life must go on. You change policies when you have a different government; you might change direction, but you don't just forget what has been done in the past, and especially a group which certainly was non-partisan, and I repeat that; if anything, if the truth was known, I think you would have trouble getting a single supporter of the New Democratic Party in the group that we had. They weren't chosen for who they were supporting, I can assure the Minister of that, and he knows it. And if he wants to debate that, we'll debate that and we'll name names; I'm ready to do that. I don't think there's any point; I think the Minister will accept that. But why this repetition? Why? What does that mean? Is it just a stall for more time? I see where they took down the — there's the Fitness Branch — Fitness Development is cut off completely. Why do we have to start from scratch again? I don't understand it. Mr. Chairman, I will have to read the answer of the Minister in Hansard, because I have to go for the next 10 minutes, and I hope that we will continue that at 2:30 when we come back.

MR. SHERMAN: Mr. Chairman, I certainly don't have any quarrel with the makeup of personnel on the Advisory Council on Fitness in Amateur Sport. When we assumed office, and when I assumed office, I held many conversations with people in the sports community with respect to the main questions that were troubling people in the sports community which were foremost in their mind. They included people who were members of the Advisory Council on Fitness in Amateur Sport and of course, many people who weren't members of that council. Some of the primary counsel that I sought was from Mr. Jim Daly, to whom the Honourable Member for St. Boniface has referred. I did contemplate appointment of Jim Daly to the Advisory Council, and was considering the likelihood or the comparative advantage of perhaps putting him in a position where he could become the next chairman of the Advisory Council, but on discussion of the whole area of fitness, amateur sport and recreation with personnel interested in and related to all three of those disciplines; fitness and sport and recreation, the consensus seemed to be, even among those on the Advisory Council to whom I talked, that it would not be a bad idea — in fact, it would be a good idea to strike a new and independent committee that would examine not only such questions as those with which the Advisory Council was charged, but even the question as to the rationale for an Advisory Council itself, and if there was a demonstrable rationale for the Advisory Council, then what form or structure it should really take, how much clout it should have, how much direct influence at the Ministerial level it should be charged with. It seemed at least incongruous, if not impossible, to ask the Advisory Council to pass judgment on questions of that kind relating to its own being, to its own entity, and the consensus — and it was a substantial consensus, I want to assure honourable members — was that it would be a good idea to strike a new and independent committee that had not had any direct connection in the past with channels of advice and communication in these fields at the government level, to explore all questions, including the question of the very form and structure and rationale for an Advisory Council itself.

There was nothing political or partisan that entered into that decision in any way, shape or form. I did very strongly consider urging Jim Daly to become a member of the Council in such a form and at such a time that when it became timely or necessary by statute to elect a new chairman of the Advisory Council, that he would be in a position to consider that appointment. The appointees to the Jim Daly committee, the Ministerial Committee that we set up, are as broadly chosen, as broadly representative and as non-partisan as those who are on the Advisory Council. Every effort was made to represent different interests, different sectors, including the recreation sector, and different geographic areas of the province. It's a short-term committee; it's not intended to be the Advisory Council. It was struck for a brief period of time. In fact, my original request was that they report back to me in three months and the chairman insisted that that was too short a time to do the work that they were charged with and he asked for six months. It's the full intention of the government, it's my full intention to terminate that Ministerial Committee's existence as soon as they have reported, and once we distill the recommendations of that report it may be that some of them end up on the Advisory Council, or on a different body similar to the Advisory Council; a new concept may emerge. Those decisions will be made then. But, I believe that the appointment of that committee can be justified on the grounds that we wanted fresh perspectives to a number of questions and we wanted some judgment on the very reason for an Advisory Council itself.

Friday, June 2, 1978

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SCHREYER: Now, Mr. Chairman, I have a couple of questions, one is very specific and mundane, and the other is general in the sense of asking the Minister to outline for us, as is completely appropriate, really, in the consideration of Estimates, to outline for us what the new sense of priorities or change in policy is with respect to the given Estimates here relating to fitness and amateur sport. I say that because when one looks at the three sub-categories under fitness in amateur sport, one sees a significant decrease in two of the three items, and that must be only because of a very definitive change in thinking, or priorities or policies.

That's the general question; I invite the Minister to indicate to us, for example, as to what he assumes will happen, what he wants to happen and what he assumes will happen, which may or may not be the same thing with respect to the fact that the amount of support for the centre for organized sport has been reduced by some \$400,000, and the fitness development to promote individual levels of physical fitness is being wiped out entirely. One would have thought that this kind of provision, modest as it might be — \$150,000 last year — really goes under the general category of modest support to organized amateur groups and groups of organized citizens who wish to organize in order to attempt to bring about better levels of physical fitness and health, and requiring, however, realistically speaking, some very modest — but some, nevertheless — degree of support from the public.

Now, with respect to the more specific question, I heard the Minister very clearly say that there was a transfer of some \$85,000 from Game Development grants, from that item to some other item. But in fact, the only way to look at that very closely it is necessary to have both last year's format print estimates and this year's, and I have both here, and we looked to see what was appropriated for Game Development grants; it was \$144,000.00. The amount that is shown this year as being last year's appropriation should be the same figure, but in fact, it's \$59,000, so there's a transfer out of some \$80,000.00. Where is that transfer, in what appropriation? It doesn't —(Interjection)— No, but it's not there, because as I look at (c) for last year, I see an amount of \$80,000, and it's \$155,000.00. Okay, so that answers that question. Thank you. So, I plead with the Minister then, for immediately after lunch, the question of where and what is to happen to fitness development if there is no provision whatsoever.

MR. CHAIRMAN: Order please. The hour being 12:30, I am now leaving the Chair to return at 2:30.