

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, March 15, 1979

Time: 8:00 p.m.

SUPPLY — DEPARTMENT OF FINANCE

MR. CHAIRMAN: We were dealing with Item 4.(c). The Honourable Minister had the floor. The Honourable Minister.

MR. CRAIK: I think there is nothing further, Mr. Chairman. We took a number of questions as notice. We will get back with the answers.

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: Yes, Mr. Chairman, I do believe I had the floor and I think we were discussing the issue which could well be discussed with this Minister — it may have to be discussed generally in the House — with regard to what I would call clinical information, which really doesn't involve compiling or analysis, or secrecy, and whether it is necessary for any citizen to have to write a letter to the Minister to get that information, or whether it's available to the media, or whether it's available to people who are writing books and whether it is available to researchers in the Department of Commerce. Things like if I wanted to know, for instance, on the sales tax what the receipts were for January, February, March and April, rather than knowing the full year, would the Minister feel that it was incumbent upon me to get in touch with him or shouldn't somebody in his department be able to give me that kind of information. If, for instance, we had the motive fuel tax and I phone the department and say, "I'd like to know the breakdown as between diesel and non-diesel". If that doesn't happen to be a feature which is on the Estimates Book, does the Minister really believe that that kind of information, which is clinical, it's public, it's informational in nature, is something that anybody would have to go through the Minister for? Because right now I think you have created an intolerable situation that nobody in the administration can give me information of the simplest nature unless I ask through the Minister.

Now, may I tell the Minister that I believe this can be done without any embarrassment whatsoever, and I will give the Minister an example from his own experience. I believe he asked my departmental officials, when I was the Minister of Mines, as to how much drilling there was in a particular year. He didn't ask me; he asked the department. Now, I want you to know the department told me that you asked and I said, "Give it to him." I would also like to have the same information, but there is nothing wrong with giving it to the Member for Riel, as you then were. And it seems to me that that kind of thing should be available. If you are concerned that an MLA is receiving information which may take you by surprise politically then wouldn't it be a better direction that if this kind of information is requested I would appreciate knowing that it has been requested and I would appreciate receiving the same information that has gone out to the particular MLA so that I am aware of it if anything ever touches on it.

But I am not talking about analysis, Mr. Minister. I am talking about information which is clinical, which is public and which would be included, really, in your public books if you didn't have to categorize in terms of efficiency. And I think that this type of thing, the type of edict that appears to have been issued to various civil servants in the government is a self-defeating edict. When I was the Minister of Mines and somebody said, how many fishing licences are there on Lake Winnipeg, there would be no suggestion that they couldn't be told how many there were. I would appreciate the Civil Service then saying, we were asked how many fishing licences there were and we told them that there were 864. Now, isn't that something that can be easily facilitated by your department?

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Well, Mr. Chairman, just let me sort of go back to the fundamentals. There's an executive and there's a legislative responsibility in government. I think it's pretty well recognized in the parliamentary system that that exists. When you set up the executive responsibility, the

with the majority is elected to govern, the group with lesser than the majority is usually asked to be the opposition. We are all MLAs but those that are elected to govern are usually asked to act as an executive. And, when you act as an executive you act in the role of running the affairs of the province until the next time the people decide whether or not you are an executive or not. I don't think it's any more complicated than that. We are not asked to run the government by committee.

You know, I've listened to the debates in the House that have gone over the last few years. The Member for Fort Rouge has had a resolution on the table for year on end, every year since he's been here about the availability of reports and all the rest. And, I've seen the Member for Inkster mount a very convincing argument which generally I supported, I was opposition, he was government, you know, about that very same matter, which is very similar to the matter that he's referring to now. I don't think that it was the intent of our system to run government by committee but I think there should be a degree of openness that is provided by the committees for examination in the government — which I incidentally feel are maybe open to some weaknesses at many times because they tend to be pretty highly personalized and politicized, if you like, in terms of scoring points of the moment.

But I can use two or three examples. One I used this afternoon was with regard to a particular issue in filing an order for return. Let me cite one more. I don't recall going to the member, when he was Minister, going to his department and asking for mining drilling information.

MR. GREEN: You did.

MR. CRAIK: But, I do recall at one time, when I had an involvement in looking at the Mackenzie Valley pipeline, and going to him and asking for the services of his Deputy Minister in an advisory role to act as an advisor on setting up the studies. And the Minister at that time who was the Member for Inkster said to me, he said that there's no way we can have a Deputy Minister of the Crown involved in any way that his name would be recognized in looking at this.

Well, all we wanted that Deputy Minister for was to advise us on biological studies because he happened to be a person that was foremost in Canada. He's a former head of the Canadian Wildlife Service, and was brought in by the government that preceded the last government, the government that pre-dated 1969, to head up the Natural Resources Department from his former job as head of the Wildlife Service. I remember going to the Minister and saying, "All things being equal, this is an important study and I happen to be involved in the group that's looking at the Mackenzie Valley Studies. We're setting up a group of Engineers and Biologists who are to do a combined study on the impact on the environment of that group and I would like to have your Deputy-Minister in an advisory role be a member of this group." His answer was that under the Executive role of government we could not have such as Winston Maier identified as a member of this group. Period. That was it.

Now, he's saying — and I find the analysis a little bit analogous to what he's now saying — that since he walks in off the street and wants certain information, that the Executive responsibility of government which he exercised when I approached him — and I use it only as an example — he says now, in spite of that, plus the very valid arguments that he presented to the Member for Fort Rouge I would think three or four years running in the House when he was in government, he says now that under the Finance Department Estimates, if he walks in and says to a member who is employed by the government of the day and wants certain information regarding financial matters that that ought to be wide open, presented, and the Minister ought to have no say.

Mr. Chairman, I would say that that's a complete contradiction of everything I've seen in the past performance of the Member for Inkster either as a Minister executing Executive responsibility or of the arguments that he has presented on private member's resolution in the House.

MR. CHAIRMAN: To the members of the Committee, if I could possibly ask for some guidance in this matter here. In my opinion I've allowed a fair amount of latitude in terms of the item that we're discussing, and I'm wondering if some of these subjects possibly should be discussed under the Minister's Salary as such unless the members can indicate to me that we're still basically under 4.(c). The Member for Inkster.

MR. GREEN: We're on that report and the administration of that item, and there was a member of the Legislature who tried to obtain some information under this item. He was refused, and we are still dealing with his request for information and the obtaining of it or not obtaining it. May I say, Mr. Chairman, that the Minister, and I regret to say this, is either very obtuse and has not understood what I've said in the Legislature or, if I am wrong, then he has made more for Mr. Axworthy's argument and I would have to start going the other way.

I said that Mr. Axworthy's argument was not right because a government, responsive to the people, would freely give this type of information. I never ever said that this would permit and encourage the Minister to tell the prothonotary of the Court of Queen's Bench that if somebody asks you how many divorce petitions were issued last year don't give it to him until he writes a letter to the Minister, because that information has always been available. And if the Minister is saying that my arguments are that that information shouldn't be available, then if he is right I would reverse my arguments. But I have never said anything of the kind. As a matter of fact, I said that if you enact the legislation you will encourage the type of thing that the Minister is now doing. Because he will say that that's what the legislation says I must do. But up until this government has come in and given these edicts, that kind of information was always available.

And look at the comparison that the Minister makes. He came in, asked whether he could use Winston Maier, the Deputy Minister of Mines, as a name of one of a team of a group of private consultants who were working on a particular project so that the team would show the following people: Winston Maier, Deputy Minister of Mines of the Province of Manitoba. And I said there is no way that the Deputy Minister of Mines of the Province of Manitoba can be used as a means of promoting a private company. And he says that somebody coming in asking, for instance, under his edict I couldn't ask how much sales tax did we collect in 1957? I've lost my Estimates Book. And the civil servant would say, "Write a letter to the Minister." That's the comparison. That if I would come in to Mr. Perrin and say that I am opening a tax consulting business, I would like to show on my letterhead that you are the consultant vis-a-vis minerals, and he says, "Well, if you don't let that go out, then surely you shouldn't tell him how much sales tax has been collected last year."

Now, is that not a clear indication of the example that was given by the Minister of Finance? Because that's the comparison that he is making, which is absolutely ridiculous and shows the weakness of his argument.

Mr. Chairman, I am suggesting to the Minister that he did, and if he has forgotten that's his problem. He did ask how much drilling there was done in the last year that we were in government; that my department gave it to him; that he did not have to write a letter to the Minister, and he used it in the Legislative Assembly. He got up and said, "This is what was done. These figures were obtained from your department." Well, if the Minister forgets that's his problem, but he used the figures in the Legislative Assembly after obtaining them from my department. And if the Minister says that my arguments with regard to a secrecy of information bill support his position, then I repeat, either he is being obtuse or I have to change my arguments and I am not, Mr. Chairman, going to change my arguments, so that leaves only one possibility.

The Member for St. Vital says I asked them — the department — how much was collected on the second tier. And I suppose in the Estimates Book they could be put first tier, second tier. I am inclined to think that there has never been any payment or any substantial payment on the second tier. There was very little paid on the second tier, if anything. My remembrance is that we didn't collect anything on the second tier and I would say that that kind of information — which I repeat is clinical; it's something that does not involve analysis — should be information which any citizen of the Province of Manitoba should be able to phone the Finance Department and say, "Can you tell me whether there was any taxes collected on the second tier in the last fiscal year of the government?" and the man on the phone could say, "Just a minute. Yes, the total amount collected in mineral taxes was X millions of dollars and so many hundred thousand or so many million was collected on the second tier.

To preserve that situation, I argued against the Secrecy of Information Bill because if their Secrecy of Information Bill was in existence, the civil servant would say, "If you look up this Act you will see how you get that information." And the Act would say you will send a letter to the Director. The Director will either answer you or refuse within 10 days. If he neither answers or if he refuses, you shall then direct the letter, registered mail, to the Minister. The Minister shall have 30 days either to answer or to refuse. If the Minister refuses, or does not answer, you will file an application in the Court of Queen's Bench and it will be returnable seven days after the filing thereof and you will hire a lawyer and maybe he will tell you how much was collected on the second tier if the judge doesn't come to the opinion that that information is reserved to the executive branch of government. Now, if you have not understood that, that's not my fault, but that's what I said.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Well, Mr. Chairman, I think the Member for Inkster is maybe extrapolating his argument just a bit too far. I told the Member for St. Vital this afternoon that if the information was readily available it certainly would be forthcoming in his question to the committee. If it wasn't, it should be applied for by Order for Return and that's the way it stands. And, I get that feeling, perhaps

it is only a feeling, Mr. Chairman, and unfortunately, feelings run a little high after you've been around this place long enough and you see some of the tilts that different people take. I just get that uneasy feeling that there probably isn't anybody in this room that understands better than the Member for Inkster that it used to be elucidated by the former First Minister over and over and over again when he was on the government side about how much money it was costing to dig out certain information as a result of the over extended requests of Orders for Return.

I don't think those Orders for Return. . . I never felt at the time that they were particularly onerous. But we used to get that argument put before us. Which I think boils down to the very simple response that nobody is trying to unduly conceal any information that the member might want or that any other member might want but simply the fact that if you're going to run government by committee, you're going to have an unmanageable operation. And, if you want certain information, you simply put your request in front and we'll deal with it.

Let me quote one more example. Last year my serious-minded friend from St. Johns who's not smiling tonight, but rather has a frown on his face, and we'll probably get into a fight before the night's over too. — (Interjection) — Yeah, right. We'll have another one tonight. You know. — (Interjection) — No it's a good night. Let's have it. Any night at all. I'll take both of you on any time at all. You know, it's all in the gamesmanship. Because when you really get down to it, it's a role of gamesmanship, and that's about what it boils down to. I think your argument is not intended to gain information, necessarily, it's simply to score brownie points. And that's about the size of it, so why don't we really get down to it. That's what it really comes down to. If you want information about the tax, the first tier and second tier, let's get down to it; that information undoubtedly will be supplied. If it takes an undue amount of effort, it'll require an Order for Return. If it's readily available, you'll get it.

You know, last year the Member for St. Johns asked for the tax book. He knew that the tax book was in the department, because there was a guy in the department by the name of Art Roberts that had put it together when he was there. And if Art Roberts put it together, then he must be putting it together now, and therefore why don't we just get this? And I said, "Well, file an Order for Return for that information", "Ah, but if I do that it will take . . . You know it's there. You know it's there." So we filed Art Roberts' tax book. It's been filed, and undoubtedly the member will ask for it again. You know.

So, as a matter of fact, I have to really admit to you — I have to really admit to you that I didn't know what Art Roberts' tax book was. But then I found that Art Roberts, who was in the department, had gone through every state in the United States, fifty or whatever the number is. He had calculated every tax as it existed in every state in the United States, in every state, the province of Manitoba and he had collated all these and the Member for St. Johns wanted them. So I went back and I said, you know, what's all this about? So I found out what it was all about. I thought, well that's pretty good information, we'll table it. But had it ever been supplied before to the House? No. In eight years had it ever been supplied? No. Had it ever been offered before? — (Interjection) — Ah. It has to be requested. You know, nobody requested quarterly reports. — (Interjection) — No. No. Yeah, cause you didn't want them. The Member for Inkster never wanted quarterly reports. But we supplied quarterly reports because it was in the value of the people of Manitoba to have quarterly reports. So okay, let's carry on our gamesmanship; you shift from Inkster and well go over to St. Johns and now you ask your friendly questions.

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: We're going to sit here and we're going to have fun tonight. Mr. Chairman, let me say this. The honourable member knows well the name of the game. I was not — (Interjection) — Now you keep quiet. The fact is that I was not seeking the information on what is the two tier breakdown. You're quite right. I am trying to make a point now that you are refusing the information. That is quite right. And I am trying to make a political point out of the fact that you are refusing the information. That is quite right. Because I believe that the people of Manitoba will find much more significance in the fact that you are refusing the information than the fact that there is so much on one tier and so much on the next tier. But that's what you invited; that's not what I invited. And if you're asking me whether I'm asking this to try to remove you from government' damn right I am. Because I think it will be great for the people of Manitoba to remove you from government so that this kind of stupidity doesn't continue. And may I say this, Mr. Chairman, that if we come back into government, any citizen who phones a person who knows what was collected on the two tiers will get it. They won't have to phone the Minister, and they won't have to have a Secrecy of Information Act. Right.

MR. CHAIRMAN: The Honourable Minister. The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I had a serious face a moment ago, trying to understand what the Minister of Finance was saying; once I understood him, I started to smile and almost to laugh.

MR. CRAIK: Yes, no doubt.

MR. CHERNIACK: Mr. Chairman, he seems to think that acquisition of information is needed to justify a committee form of government and I'm not aware that anybody in this Legislature has proposed a committee form of government. But we have learned, those of us who were both on the opposition and government side, that the most effective government is the one which operates on the basis of a great deal of information being available from which one can draw deductions and make arguments. Now, we are going into a budget period and for all I know, the Member for St. Vital or anybody else, may want certain statistics on the basis of which he can discuss the budget and the philosophies of government and the principles. We have heard a great deal about The Mineral Acreage Tax Act, nuisance taxes. We have a right to discuss those with knowledge, not knowledge which the Minister may or may not want to give, but knowledge which should be available to the public and which there is no purpose in concealing. That has nothing whatsoever to do with a committee form of government. This committee is sitting here to study the Estimates. This Minister has come to the Legislature and said, I would like certain moneys to spend for certain purposes. We have every right in the world to examine the program, to examine the costs, to examine the fat, if there is any, to examine the ability with which the Minister can handle money. And these are questions that are desirable to be asked.

Now, if somebody wants to have detail regarding how much is collected, then it is justifiable to say, how do you justify the expenditure compared with what you get in. Or, one gets into the philosophy of taxation because this is the opportunity. The Minister has been around long enough to know that there are certain opportunities given to opposition members to deal with the government's operations and its Estimates. And to refer to that as being an effort to convert to a committee form of government is ridiculous because none of us pretend that we have the right to make decisions when we are in opposition. But the right to question, the right to challenge, and mostly the right to know, is so basic to a proper operation that I have not been one to fully support either the Member for Inkster or the House Leader, Mr. Jorgenson, in their claims that the present system is good for a production of information and you are proving the difficulty that is artificially created by saying, you can't have it until we are ready to give it. The same thing I might say in relation to the report of a Royal Commission which was being held until the government was through studying it. Mr. Chairman, that is not the good way in which to operate but as Mr. Green said, it's almost playing into the hands of the opposition to create obstacles which are so apparent and obvious and to no avail. So that to the extent that there is politics to be made out of it, I think that members ought to consider that everything they do is in the open, visible to the electorate and the electorate judges the style of governments. That, I suppose, the more there is obstinacy and the more there is truculence, the more it shows up and we can't help but expose it.

MR. CRAIK: Mr. Chairman, can I answer that now.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. CRAIK: You know, obstinacy, truculence, call it what you like, use all the words you want to use, but the fact of the matter is that the logical place, if you want to ask what the government is — we are dealing with 1979-80 Estimates — if you want to ask what the income is going to be from the mining tax, you do that, and legitimately you ask for the breakdown when you come to the revenue from it. So we go on with this great bloody court case that is going on here between the two members who are well versed in doing that, talking about things that aren't even on the agenda that we're talking about. You are talking about the payroll of the people who work in these departments and so on. This is all to come before the House yet again and you are going to ask it all over again because there is going to be an item in the Budget that says that you are going to have a revenue of X amount out of the mining tax and when you do, you will ask and you will have a legitimate right to ask. So now you are trying to make a case about some — talk about obtuse, I have never heard of anything so obtuse. You are trying to do an inquisition into the bankruptcies or something that occurred over in the Land Titles Office, and here we are trying to talk about the people who are on the payroll of the Mining and Use Tax Branch.

You know, these two gentlemen here know as well as anybody else knows, and my slippery friend with a smile on his face is getting into his old obtuse look again. He is going to sit here

and play games until God knows when, when he really knows, despite all the words he has ever used in every courtroom in this province, wherever he has been, that the real place to find out the breakdown of the revenues from the taxation on mining, comes under that item under the Budget. And nobody is trying to deny him any information whatsoever.

I told the Member for St. Vital this afternoon that if the information was readily available on that item, he would get it, in terms of the revenues. You know, I probably should have said no, wait for the Budget. I warned you when we started out here last night that the Budget is not yet here, or on Tuesday, and this is going to be the same problem you run into all the way through. But nobody has ever denied you a breakdown in the last year — mind you, I restrict that to the last year — of the revenues that are coming under any item under the Budget.

So I suggest, Mr. Chairman, that we start dealing with what is before us.

MR. DEPUTY CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, we were dealing with what is before us . . .

MR. CRAIK: Salaries of the Mining and Use Tax Branch.

MR. GREEN: That's right. There are people in that branch who, in the month of August when there is no Legislative Session, when we are not talking about waiting to come to the revenue, there are employees in that branch who I am paying, and all of the people of the Province of Manitoba are paying, that I would like to phone in August of the year and ask, "How much money did we get in royalties," — let's make sure I'm in the — "How much money did we did in Use Taxes last year in 1977?"

MR. CRAIK: And you'll get it. You'll get the quarterly report.

MR. GREEN: No, I want to know how much we got in Use Taxes in 1977. And what the Minister has said, and what he has confirmed, is that this government has given an edict to all civil servants telling them that if an MLA asks for information — and that's what the Minister has said, let it be clearly on the record — that when an MLA asks for that kind of information which is clinical, which is available, which does not have to be compiled, which is public . . .

MR. DEPUTY CHAIRMAN: Point of order, order please. Point of order, the honourable minister.

MR. CRAIK: That the civil servants had received an edict of which I am well aware, they have received an edict, received an edict.

MR. GREEN: You said it this afternoon. Well, Mr. Chairman, I do not know whether the minister used the word "edict". I do not know whether he used the word "edict".

MR. CRAIK: No, I deny that.

MR. GREEN: Mr. Chairman, the minister said that he'd like . . .

MR. DEPUTY CHAIRMAN: Order. Order please.

MR. GREEN: It is on Hansard.

MR. DEPUTY CHAIRMAN: Let's first have an understanding that the debates are being recorded and I have to announce who is going to speak so it's clarified on the tapes that the honourable minister had the floor, and if you just put your finger or something, I'll recognize you and I guarantee you'll have all the time to be heard.

MR. GREEN: I spoke on a point of order.

MR. DEPUTY CHAIRMAN: A point of order from the honourable minister.

MR. CRAIK: The point of order, Mr. Chairman, is this . . .

MR. DEPUTY CHAIRMAN: We'll proceed from the point of order from the honourable

MR. CRAIK: The member said that I had issued an edict, or was party to an edict, or was aware of an edict, or whatever it was; that once the civil service has said such and such, and that I said that this afternoon is absolute nonsense.

MR. DEPUTY CHAIRMAN: The Honourable Member for Inkster on the same point of order.

MR. GREEN: Yes, on the point of order, Mr. Chairman. It is not nonsense. Perhaps the word edict was not used, but the Minister indicated, and he used the words MLA, that when an MLA seeks information, that's what he told the Member for St. Vital, of that nature, that he had to send a letter to the Minister and that the Minister would tell him whether the information would be made available or not.

Now, if I have wrongly interpreted the Minister, then he will be able to show me that when Hansard comes out. That is what I understood him to say. That is what this argument is all about. That's what he said this afternoon, or words . . .

MR. CRAIK: You find the word edict in . . .

MR. GREEN: Mr. Chairman, the reason that the Minister says that I won't find the word edict is probably because the Minister, as Cass-Beggs said, doesn't know what the word edict meant and wouldn't use it, but what he said was an edict. He said that he instructed the staff, or that the staff were instructed, that they were not to give that information without a letter going to the Minister, and if he did not use the word edict, I am telling you that I characterize that as an edict. He, as a matter of fact, not more than five minutes ago, told us about Executive Branch of Government, and it's the Executive Branch of Government that issue edicts, and that's the kind of thing that was done. I call it an edict; he can call it an instruction. It amounts to the same thing. That's what he said. If he is now saying that that kind of information will be given to you in the month of August or to any other citizen, or to the Financial Post, or to any other magazine or any News Service, or any person who's writing a history possibly or doing research, then I'm very happy. Then at least I'll have proved a point to my friend, the Member for St. Johns, who says that this kind of thing won't get the information, or at least is not certain, and you know, the more I see what's going on the more some of the doubts that he's raised become more valid. But the fact is that that is what the Minister said, and if he is now saying that when I phone the department in the month of August and ask to speak to the Retail Sales Branch and ask them, "Can you give me the latest tabulation as to how much Retail Sales Tax was collected this year?" that they will give it to me, that it is not secret information.

MR. CRAIK: It is.

MR. GREEN: If it is secret information . . .

MR. DEPUTY CHAIRMAN: To clarify the point of order that's under debate may I suggest to the Committee that we wait until the Hansards arrive and then the Chairman will decide if . . .

MR. GREEN: I wasn't speaking any more on the point of order, Mr. Chairman.

MR. DEPUTY CHAIRMAN: Well, I suspected the honourable member wasn't, and I wish he would have just stopped very briefly and say, I'm no longer on the point of order. I suspected that you were off the point of order, but when you entered the debate you were on a point of order.

The Member for Inkster.

MR. GREEN: Well, I was interrupted on a point of order, and then I spoke back to the point of order, and went back to the debate.

MR. DEPUTY CHAIRMAN: Well, I apologize to the Honourable Member for Inkster, I gave you the floor on a point of order, and so . . .

MR. GREEN: . . . this is the house in wonderland. I had the floor — you gave him the floor on a point of order.

MR. DEPUTY CHAIRMAN: Yes, and I gave it back to you, sir.

MR. GREEN: Yes, but after I got it back, am I not in position where I was before I was interrupted by a point of order?

MR. DEPUTY CHAIRMAN: Well, I think, if my memory serves me correctly, that I said, "On the same point of order." —(Interjection)—

MR. GREEN: Yes, Mr. Chairman, and I did speak to the point of order . . .

MR. DEPUTY CHAIRMAN: Order please. Before we go any farther, please, gentlemen, it's not going to settle this debate at all. I apologize, I wasn't here this afternoon, and I'm not sure if the word edict was in the transcripts, but nevertheless the Chairman will rule on it — he'll be back in a couple of ooments.

MR. GREEN: Mr. Chairman, I did not say on the point of order that the word edict was used, as a matter of fact I will concede the fact that the Minister doesn't know the word edict, and didn't use it.

MR. DEPUTY CHAIRMAN: So there basically was no point of order.

MR. GREEN: That's right. He's the one who raised it, and if you are ruling that there was none, well then I'm satisfied.

MR. DEPUTY CHAIRMAN: Okay. Then proceed. We're dealing with 4.(c) Mining and Use Taxes Branch.

The Honourable Member for Inkster.

MR. GREEN: I'm going to end my remarks. I'm going to say that this debate will be used. It will be used to open up information from this government; it will be used to show the people of Manitoba how obtuse and stupid this government is with regard to their secrecy policy; with regard to instructing the Civil Servants throughout this province in all departments, not to give information to MLAs unless they get a letter from the Minister.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr. Chairman, I suppose that the Member for Inkster, and I would think anybody else who was involved, knows that people who are involved with any of the Finance Acts actually before, and in becoming involved, do undertake an oath of secrecy.

MR. GREEN: Of secret information.

MR. CRAIK: No, you're talking about the financial operations of the province.

MR. GREEN: . . . told me what we spent last year? If I phoned the Deputy Minister . . .

MR. CRAIK: Do I have the floor, Mr. Chairman, or does the Member for Inkster have the floor?

MR. DEPUTY CHAIRMAN: The Honourable Minister has the floor.
The Honourable Minister.

MR. GREEN: Go ahead. I'm listening.

MR. CRAIK: If you can put up with it that long, you know, it wasn't invented by this government; it's been in place a long time; it was in place all the time you were in government. You are trying to tell me that if you phoned up — legitimately phoned up a member of the Civil Service and asked him for information regarding The Mining Tax Act that had not been published, or was not cleared, or was not part of a year end report, that you would expect him, in spite of an oath of secrecy, to provide all that information? Is that what I gather?

MR. GREEN: No. I specifically said that this was in last year's report; that it wasn't separated because of categories; that the information is not secret and that that kind of information could be supplied. If the Honourable Minister is saying that everything that is known by the Civil Servants

—(Interjection)— if everything . . . what's the point of order. ?

MR. DEPUTY CHAIRMAN: What's the point of order?

MR. CRAIK: What year's information are you looking for?

MR. DEPUTY CHAIRMAN: I don't think the Honourable Minister has a point of order. I think let the Member for Inkster finish his debate.

MR. GREEN: I don't know what particular information the Member for St. Vital was looking for. I gather he was asking for the breakdown between the two tiers in the last year that they collected the tax, but that doesn't matter — that's not the point — the point is that I then went on to say, if I was to ask last year what was the breakdown of sales tax between January and December in months rather than for the whole year, that I could not get that information without a letter to the Minister. I'm suggesting that not all information is secret. The amount that we spent in last year's budget, or the amount that we budgeted for last year is not secret, and that type of information could be given to me by the Deputy Minister without violating any secrecy Act.

If there is some information that is secret, I specifically said in my earlier remarks, I'm not talking about secret information. If you're telling me that everything that those people know is secret, then we have another debate.

MR. DEPUTY CHAIRMAN: 4.(c) — the Honourable Minister.

MR. CRAIK: Mr. Chairman, I can only tell the member, first of all, it isn't necessary that a letter be required — he said it has to be a letter to the Minister — it doesn't have to be a letter. If he wants to, I didn't have . . . yes I did . . .

MR. GREEN: Mr. Chairman, on a Point of Order.

MR. DEPUTY CHAIRMAN: A point of order of the Honourable Member for Inkster.

MR. GREEN: On a point of order, Mr. Chairman. The Member for St. Vital asked for the breakdown for the last three available years — that's what he asked for.

MR. CRAIK: Yes, that's right.

MR. GREEN: And you're saying that that's secret?

MR. CRAIK: No. I asked you . . .

MR. GREEN: He was told that he has to write a letter to the Minister before any Civil Servant can give him that information. He did say that. —(Interjection)—

MR. DEPUTY CHAIRMAN: Order, order please. The tape is going to be all mixed up and it's not going to be able to show who is speaking, when and where. Let's please try and keep it orderly.

The Honourable Minister.

MR. CRAIK: Mr. Chairman, let me make it clear in terms of the record that if a member is looking for current information relating to taxes or financial affairs, current information that is not published and not already available, that the appropriate way to go is to approach the minister, it does not have to be by letter. If he wants to phone and ask for it, that's fine, but , and I think it's eminently reasonable, if he's going to put someone in the Public Service into what that person may consider to be a compromising position, I don't think it's fair to the person in the Public Service to have to decide on that and to supply the information. And in most cases, Mr. Chairman, if I were that person and I think that he would probably make that decision, and that is what the whole thing is intended about, and I don't think that that person should be put into that position.

MR. GREEN: Mr. Chairman, would it not make more sense, and I sympathize with the last thing that the minister said. He's becoming more reasonable as the night wears on. Would it not be more reasonable to do exactly what I said earlier? To tell the civil servant, if they get a request from Information, from an MLA, which is a problem to them, they should send that request up the line

to find out whether they can give it to the MLA. —(Interjection)— No, Mr. Chairman, that is not what is happening. If that's what happened, it would make sense, then the civil servant can come back and say: "I have been told I cannot give you that information." What they have been told is we cannot give you that information; you have to write the minister. And I am not talking about at committee. I'm talking about when we're not in the House for seven months a year, and would the minister not now say that it makes some sense that if somebody on his staff gets that kind of request — and this happened to me with one civil servant, and I said it was perfectly reasonable — I went to a senior civil servant in the government and said I would like the following information. He said that is all public information, but I will have to ask the minister before I give it to you. I said that is perfectly reasonable. He then went and asked the minister and he didn't give it to me but at least that was a sensible situation, that I wasn't told that I have to write the minister.

And the same thing happened, I tell the honourable member if he forgets, in my department. He asked for number of feet drilled, the civil servant asked me, I said, "Certainly. He's an MLA; give him the information. I'd like to know what information he gets so that I can have it as well." But the information was given.

MR. CRAIK: Well, Mr. Chairman, the same thing happened then. He is saying, which I have long forgotten and never knew if I did know, that somehow I went and asked somebody for the amount of feet drilled, and that person in the Civil Service went to his minister and asked him: "Can I supply this information?" and the minister said yes. Now he is saying that this ought not to happen because no member of the Civil Service ought to have to do that. You know, how. . .

MR. GREEN: I never said that.

MR. CRAIK: Do we have to sit here all night and spin wheels?

MR. GREEN: The honourable minister has now turned full circle. At 4:30 today, I said that that was an acceptable procedure. He said that his procedure is to tell the MLA, the civil servant will tell the MLA he is to write a letter to the minister, and that is what I objected to, that I had to write a letter to the minister in order to get information through a civil servant. If the civil servant said to me, in answer to the request: "I will determine whether I can give you this information," I will accept that. I don't agree that I should have to get that information by writing a letter to the minister in order to be able to deal with it. And I said that this afternoon at 4:30 and that too will appear in Hansard.

MR. CRAIK Mr. Chairman, if there is one department where the Member for Inkster has the least chance of making his case, it is in the Department of Finance because I think even he recognizes that that is one department where information is not going to be given out unless there is going to be the authority, responsibility assumed by the minister in question particularly if it's in a current year and is information that is already not published or in the process of having completed a year end. But if it is current information in particular, you can almost bet that I would consider it an illegitimate request whether I was in government or whether I was in opposition, and I am going to reiterate a case.

In the spring session of 1976, I wanted to know about succession duties and I filed an Order for Return and asked for amounts. I didn't ask for any more information other than amounts. Now if the member's arguments were correct, and if I had thought it correct, I would have never filed an Order for Return. I would have gone to somebody in the department and said, "I want this information, I want to know this and I want to know that," and I think the member knows as well as I do that it would not have been a legitimate request.

MR. GREEN: Mr. Chairman, just so that we come back to earth, the Member for St. Vital started this discussion by saying he went to the department and asked for the last three available years.

MR. CRAIK: Available?

MR. GREEN: Last three available years. He was told that he would have to make the request through the minister.

MR. CRAIK: Well, Mr. Chairman, let. . .

MR. DEPUTY CHAIRMAN: Let the Honourable Member for Inkster finish his speech.

MR. GREEN: He asked for the last three available years. I am not asking for secret information. I am not asking for people to violate their act. I am not asking for information that has to be analyzed before it is given. I am not asking for information that requires lengthy compilation, I specified earlier. Generally what is a matter of public record anyway, but is not detailed on some of these pages, and if the civil servant feels questionable about it, he can make sure from his higher-ups that it is something that he can give out. I object to having to write the minister for that kind of information from a public servant.

MR. CRAIK: Mr. Chairman, let's come back to it. He is talking about available years of revenue; we're not even talking about revenue. I don't recall the member using "available." If it's the last three available years, he is obviously talking about statistics that are already a year old.

MR. GREEN: That's right.

MR. CRAIK: Nell—(Interjection)— Nobody's ever asked him to write the minister.

MR. GRENN: He was asked to write the minister.

MR. CRAIK: He said that if the information was readily available, he would certainly be provided with it, and if it wasn't available, he should file an Order for Return. And that's the usual practice.

MR. DEPUTY CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Chairman. Perhaps I can clarify this matter, and as you recall, Mr. Chairman, that I did ask a very general question this afternoon before the specific one, asking if the minister had given any policy statement, I believe was the expression I used, to his staff about giving out information to members of the public including MLAs. What happened was that I was going through the Public Accounts for the year ending — last available — 1978, I believe. On the page dealing with revenues from different acts and different taxes, I wanted to know the breakdown for that particular Tax Act in the last three years that were given in the Public Accounts. I phoned the appropriate department and spoke to a civil servant who gave me some information, Mr. Chairman. When I asked for the specific dollar figures for those three years, that was when he said that he couldn't give it to me. I was under the impression from what he said that he had it in front of him as he was speaking, but that he would not tell me over the phone, and he said I should get that from the minister. So I then took the first available opportunity, which was Estimates of the Department of Finance, when we got to the appropriate section, to ask the minister for it, and that was the beginning of this whole debate. But if the minister's edict or policy statement to the staff is as he said it was, then perhaps he should check as to who that civil servant was who gave me some information. In fact the information he gave me was that I was inquiring under the wrong heading and it was under a different Tax Act.

MR. CRAIK: Mr. Chairman, quite apart from all the give and take of the debate and the gamesmanship that is going on, I want to say in all earnestness, that if you want information, why don't you write the minister? It's probably the fastest way of getting it. Why would you hesitate? I mean, why would any member of the Legislature, regardless of what side of the House they are on, why would they hesitate to write the minister to get information? It's probably the fastest possible way to get information. I find it incomprehensible to think that we sit here and entertain all these obtuse arguments, when in fact the information, to my knowledge — I have never complained during the years about getting information and I don't really think that the operation of the government has changed that much in terms of getting the — you know, I could have. I took certain procedures that I thought were normal and appropriate when I wanted to get certain tax information by asking for it in the House, and I've had occasion to ask ministers during the course of several years of being in Opposition, for certain information; I have written to them and I have usually found that it was a fairly reasonable way to approach getting information. It never occurred to me that they ought to make an argument. I can say in all earnestness that being a part of the present government, I do not think that you will find that there is any substantial problem in getting the information you want if you want to approach the minister. To repeat again, I think it's probably the fastest way of getting information.

I think it's entirely possible, and I repeat again, and particularly in Finance, where the people

are dealing with tax dollars, and if it's in the current year, I can see it's entirely reasonable and also would be not only reasonable but they would be in some difficulty if they started passing out information regarding the current year's operations from a financial point of view.

MR. DEPUTY CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, the minister made some progress a few moments ago, but apparently that's against his ideological bent to make progress so he quickly regressed and said that the best way of getting information is through the minister. I can tell the minister that I think that citizens of the Province of Manitoba, including MLAs, are entitled to get matter of fact, non secret information, by speaking to their public servants, and that it should not be incumbent upon every citizen who wants to get some information from the government to ask the minister. That's where we differ.

MR. CRAIK: Mr. Chairman, we're on Mining and Use Taxes, so let's get back down to that issue. Is the member trying to tell me that if he phones up and wants to know in the current year to March 15th, how much. . .

MR. GREEN: I didn't say. . .

MR. CRAIK: No, but that's the topic we're on right now. No, Mr. Chairman, let me finish. We're talking about the 1979-80 Estimates, and that's what this table is all about. And the member is telling me now, you know, he's using the item to establish great generalities in terms about government. But I want to turn around and ask him now that he's done that, and had his liberty of doing it, is he really trying to tell me that he should be able phone up the head of the Mining Use and Tax Branch and say: "How much taxes have you collected in the first eleven months of the 1978-79 year?"

MR. GREEN: I have during the last two hours probably, of discussion which I find almost bizarre . . .

MR. CRAIK: That makes two of us.

MR. GREEN: Almost bizarre.

MR. CRAIK: Worse than that.

MR. GREEN: I have indicated to the Honourable Minister, the kind of information that I think should be readily available. It bears no relation, or little relation, because I thought it wouldn't be serious to find out what we've collected in sales tax in the first six months. But if that's a problem, I shouldn't have any difficulty finding out what we collected in sales tax month by month for the last year in which the books are closed.

I have indicated to the minister what kind of information I think should be readily available. The Member for St. Vital has indicated what he asked for, which was for the last three available years after the books were closed, and these figures were in Public Accounts. The minister, who is in an untenable position, now pretends that what is being sought is secret financial data from the Province of Manitoba. You can go right through the Hansard edition of what these remarks contain, and more and more, Mr. Chairman, I confirm that Cass-Beggs knew what he was talking about when he said most engineers are illiterate.

MR. CRAIK: Mr. Chairman, that gets us down to the sub-human banal act that we're all about here, which is to really not look after the interests of the people as far as the Member for Inkster is concerned at least, but to score his tiny little debating points, whether you're illiterate or not. So if we're not going to be literate, you know, let's just step out in the hallway and settle it. —(Interjection)— The Member for St. Johns says: "Here we go again." —(Interjection)— We're talking about the Mining and Uses Tax Branch. —(Interjection)— Yes, that's right.

MR. DEPUTY CHAIRMAN: 4.(c)(1) . . .

MR. CRAIK: Of course, if that's the way you want to do it, that's just fine, but what you are really saying in essence is that in any current year . . .

MR. GREEN: I never said that. I didn't say, "in any current year." I never used those words.

MR. DEPUTY CHAIRMAN: The Honourable Member for Inkster; carry on.

MR. CRAIK: No, he's just mumbling to himself. You are saying now that the Member for St. Vital said this afternoon: the last three available years?

MR. GREEN: That's what he said.

MR. CRAIK: The word "available" was there?

MR. GREEN: That's right. That's what he said.

MR. CRAIK: That's right. That's fine. I'm glad that is clarified. It's taken one hour and five minutes now to find out that the word "available" was there.

MR. DEPUTY CHAIRMAN: 4.(c)(1)Salaries, \$898,900 —pass; 4.(c)(2) \$337,700, Other Expenditures —pass; 4.(d)Succession Duty and Gift Tax Branch, Salaries (1) — the Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I would like to deal in a general way, and I don't intend to keep it general unless it appears that there is some degree of consensus as to what is happening. In a general way, when the minister is asked to deal with a notice of objection of an assessment under The Succession Duty Act, under Section 41(3), what does he believe that his function is? I will be more specific so that we won't beat around the bush; does he believe that his function is to see whether the assessment has been legally made and complies with the provisions of the Act, and that it would be upheld in his view if it was thought out, or does he think that that section permits him to use compassionate or non-legal bases for changing an assessment?

MR. CRAIK: Mr. Chairman, we're going through this same argument we went through in the House, and you know I might as well ask the member the same as I did in the House, what is he talking about?

MR. GREEN: Mr. Chairman, I thought I was being quite blunt, and open. . .

MR. CRAIK: Well, Mr. Chairman. . .

MR. DEPUTY CHAIRMAN: Order, order, order please.

MR. CRAIK: By the member's declaration, I am illiterate. Would he just please put it into regular farmer's or plumber's language.

MR. DEPUTY CHAIRMAN: Order please. Order. The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I will tell the minister what I am referring to. It has always been my understanding, that when the minister receives a Notice of Objection with regard to an assessment, under any taxing act, that the objection is that the person making the objection has not been legally taxed, that there is objection taken to the legality of what has happened, and if the minister in fact turns down the objection, denies the objection, that person has a right to go to court to object to the minister's denial and then when it gets to court, the court considers whether there has been a proper or an improper assessment. It has always been my understanding, and I believe that I am correct, and I believe that all of the legal authorities will bear this out, that that kind of section does not give the authority to the minister to deal with the objection on compassionate grounds or because he feels he would like to relieve the taxpayer of some taxes. He can do that, but when he does that, he has to declare that he is doing that and that is why, by Order-in-Council, the Cabinet is entitled to relieve anybody of taxes. And from time to time, Mr. Chairman, that is done. I think that some of the more usual cases involve when a sales tax is imposed on a quick turnover of a vehicle. If it's thirty days, there's no taxes paid or something; if it's thirty-one, they have to pay a tax. And sometimes the government has said well, we'll relieve this taxpayer; there was a real technicality, one day or what have you, and even though legally they are required to pay the tax, Cabinet will say that they don't pay it and Cabinet will tell the public of the Province of Manitoba that they didn't pay and that we accept responsibility for it and that this is an act which the Cabinet

feels is justified.

But under Section 41(3), if there is a Notice of Objection, then I suggest that the Minister's function is to look at the assessment and see whether it can be legally justified, and furthermore, Mr. Chairman, I believe that the minister acting in that capacity, is supposed to be protecting the revenues of the Province of Manitoba. He is supposed to be looking at the assessment from the point of view as to whether his department has legally assessed the individual. I am going to ask, Mr. Chairman — and I won't deal simply with the McKellar case — whether in certain cases under The Succession Duty Act, the minister allowed notices of objection or encouraged them, or asked people to send in notices of objection because he could relieve them from taxation under that Section without passing an Order-in-Council, whether he did that with regard to the McKellar case or any other case of succession duties where he felt — And I want to tell the minister that the Winnipeg Tribune, which he finds so objectionable, came up to me. . .

MR. CRAIK: I don't find the Winnipeg Tribune objectionable. Point of Order, Mr. Chairman.

MR. GREEN: But I . . . The words, the words. . .

MR. DEPUTY CHAIRMAN: Point of Order. Point of Order.

MR. CRAIK: Sorry about that. Point of Privilege.

MR. DEPUTY CHAIRMAN: Point of Privilege? The Honourable Minister.

MR. CRAIK: Never at any time have I said I found the Winnipeg Tribune objectionable.

MR. DEPUTY CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: What the minister said is that he found remarks of mine in the Winnipeg Tribune to be objectionable.

MR. CRAIK: No, I didn't say that. Mr. Chairman, I said I found the remarks in the newspaper. . .

MR. DEPUTY CHAIRMAN: The Honourable Member for Inkster has the floor. Point of Order or a Point of Privilege?

MR. CRAIK: A Point of Privilege.

MR. DEPUTY CHAIRMAN: A Point of Privilege — the Honourable Minister.

MR. CRAIK: He's done it a second time. I said in the Legislature I found objectionable quotation of his alleged comments in the newspaper. Now, I never mentioned the newspaper. I couldn't even remember which one it was.

MR. GREEN: Mr. Chairman . . .

MR. DEPUTY CHAIRMAN: Order. I think there's a difference of opinion here, and —(Interjection)— Order. Order, please. It's a difference of opinion. I don't think it's a point of order. —(Interjection)—

The Honourable Member for Inkster.

MR. GREEN: The fact is, Mr. Chairman, that the Minister — and again it will be in Hansard — found certain remarks of mine which appeared in the newspaper, and I think he said the Tribune, objectionable. That's what I said.

MR. CRAIK: As a matter of fact, it was the Free Press.

MR. GREEN: Well, I thought he said the Tribune, Mr. Chairman.

MR. CRAIK: I didn't say either one, but it was the Free Press. —(Interjection)—

MR. DEPUTY CHAIRMAN: Order, please. Again we're having problems.

MR. GREEN: I can tell the Honourable Member . . . Why do you quote these things if you don't know they're a fact?

MR. DEPUTY CHAIRMAN: Order, please, gentlemen. Just remember that they're taping the proceedings of the Committee, and I hope that the tapes come out that they know who is elucidating these words.

The Honourable Member for Inkster. And if we can keep it, just put your finger up and I'll certainly recognize the Honourable Member for Inkster and we'll carry on with the debate.

MR. GREEN: Mr. Chairman. I'd like to tell the Minister that after he left the House, that the people from the media came over to me and said that you felt that these taxes, in connection with these estates, were harsh and you felt sorry for some of the people because they didn't have the money to pay the tax, and I said if he did it for compassionate reasons, he should have done it by Order-in-Council, and he should have had the courage to stand up and say so. And that is what I said and I, Mr. Chairman, make that same point here tonight. That if these taxes were relieved against for so-called harsh or compassionate reasons, that this is not the section to do it under. And therefore I ask the Minister, not with regard merely to the McKellar estate, but with regard to the estates on which either Notice of Objection was given, and I want to know whether the Minister asked people to send in Notice of Objection, in certain cases where they had complaints, and whether he relieved, not on the basis of the assessment being wrongfully made, but because he felt that the tax was harsh insofar as those individual estates were concerned.

MR. CRAIK: Well, Mr. Chairman, the member is trying to ask in general terms — I'll try to answer in general terms. Out of the matters that I looked at under this act, under Succession Duties, I never had one where I felt I had the opportunity, nor did I judge them on the basis of the question of any subjective opinion, and that includes all of them. I have dealt with matters under this act, and I'm answering him in general terms. I forgot the exact words that he's used here in this . . . his exact question here, but I've never had the, although I may have had the feelings that I would like to have judged them on grounds that were similar to the grounds that were included in the Marital Properties Act. I never had that feeling that in any way, at any time, did I have the luxury of being able to do that. Now, I have no doubts in my mind in answering that, also knowing the case he refers to, and I have to tell him that that case is not settled. The decision that has been made in that has not been acceptable' and that's where it stands at the present time and has stood since last December.

MR. DEPUTY CHAIRMAN: The Honourable Member for Inkster.\$

MR. GREEN: Mr. Chairman, when the matter was dealt with in the House, I asked whether the Minister had received legal advice, with respect to, or receives legal advice, with respect to his decision when he is dealing with a Notice of Objection under 41(3). The Minister answered by reading me 41(3), and saying that that's the answer to that question. There's nothing in it, I presume, about a lawyer. Then I asked him whether he had received legal advice about this particular estate, and the answer was yes. I think that's

Now, what the . . . I, Mr. Chairman, do not want to ask the Minister what his legal advice was, whether he was advised to allow the assessment or disallow the assessment, because I think that that would probably be an unfair question. So I ask him whether, when he allowed that objection, he did so on the basis that he felt that the assessment was wrongly made, or if he felt that this woman should be relieved of some taxation? What was the reason for his decision? No. (1), that the assessment was wrongly made, or (2), that he felt that the woman should be relieved of taxation.

MR. CRAIK: Well, Mr. Chairman, I'm going to have to say that I made it on what I felt to be purely objective grounds, and have in all cases made the decision based on what I felt were purely objective grounds, and that's entirely the answer to his question. I can tell him further that if it were made on other grounds, the decisions in any number of cases that I dealt with might have been quite different.

MR. GREEN: Mr. Chairman. I don't know what the member means by objective grounds. —(Interjection)— Pardon me?

MR. MINAKER: You're not illiterate, are you?

MR. GREEN: No. But I don't know what he means by objective grounds. You know, you can objectively feel that the woman should be relieved of the tax, or you can objectively feel that the assessment was wrongly made. I'm asking him whether he felt that the assessment of the department was wrongly made, based on the law as to how assessments should be made.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr. Chairman, I'm vested with the responsibility of making decisions, and the decision I made under Section 41(3) I think was a very valid and proper decision.

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: Mr. Chairman, I am now going to deal with my argument on this question and not deal with trying to spar with the Minister verbally. My understanding is, and I want the member to correct me, is that Mrs. McKellar was the beneficiary of the estate, that one of the pieces of land in the estate was registered in the name of Earl McKellar, that the only evidence advanced by Mrs. McKellar to the effect that she was the half-owner of this property, was her statement that Earl told her it was half hers. And that the assessment was changed on the basis of her statement. Now, if that is correct, Mr. Chairman' then perhaps the Minister thinks it is objective grounds. But he, as the protector of the revenues of the people of the Province of Manitoba, would then have to go back to all of the people in the Province of Manitoba who have paid a succession duty, and say to them, if you can say that your husband, or your father, or your brother, or anybody else, told you before he died that this property belonged to you, and that's real property, a Certificate of Title, not a piece of personal property, are we going to relieve all of these people from the payment of taxations on these same "objective grounds".

Now the Minister has further complicated the situation, because he is reported to have said to the press, and if he didn't say it, then that's fine, then that bit of argument will go by the boards, that he felt that this woman shouldn't have had to pay that tax, that it was based on an attempt to relieve the burden of taxation on this person because she was a . . . and with others, that they were farmers and really the money wasn't there. Although they were inheriting all this money, there wasn't money to pay the taxation.

If that is the basis upon which these taxes have been relieved against, then I say that the Minister has not been acting as required by 41(3) of the Section, and if that's the way he is going to behave, Mr. Chairman, with respect to his authority, under that or a similar type section, then I suggest to him that that is not fair to the people of the Province of Manitoba who don't file a Notice of Objection, or who pay the taxes that they are required to by law because they think that they are going to be adjudicated by law, and not by the soft-heartedness of the Minister to people who have inherited \$250,000.00.

Now, Mr. Chairman, I tell the Minister this on the basis of what was the situation as described by the Member for St. Johns when we left Government, by what I asked him in the House and the reason that I asked those questions in the House, and by what I am told, and I admit this is unreliable, he told the newspapers after he left the House on that day. That this was based on the fact that the succession duties are unjust, not that the taxation was illegally assessed against these people. Because don't forget, this assessment is made by the officials in our department, and what the Minister said is that these officials have wrongfully interpreted their legal authority in making this assessment.

That's his authority under Section 41(3). And from what little information we have, of what he is alleged to have said to the press, he is using 41(3) as a means of relieving against taxation legally imposed.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr. Chairman, the member has some advantage in that I can't answer in the way I'd like to answer. He said he doesn't want to know what the legal opinion is, and I agree with him that I can't provide him with what the legal opinion is, because he knows better than anything else that if the matter ends up in the courts, that that opinion could well be very important. So I can't answer him, and he has some advantage in the argument. There's no possible way that it is possible.

So all I can tell the Member is that despite all the attributions he wants to make for the motivations behind it all, is that in my opinion the decision was made objectively. In my opinion, the purchase of . . . well, here we go . . . anything I show here now ends up being used against me, whichever

way I go. Is that not true? So he sits there, because he's been embarrassed, and wants to score Brownie points. Again we come back to the same old deal, you know. He wants all the financial information from the department, even in current year if he asks for it. He now wants to know my legal position in a case that may not be settled. He has all that advantage, and he knows it, and he sits there.

MR. GREEN: I'm satisfied that the Minister has some difficulty, and that's why I asked the questions. I'm satisfied and I . . .

MR. CRAIK: You're satisfied, I guess you're satisfied.

MR. GREEN: Mr. Chairman, I am satisfied that the Minister has some difficulties, and that's why I asked him earlier whether, when he was dealing with the Notice of Objection, he was dealing with it on the basis that the assessment was wrongly made, or whether he dealt with it on other grounds. And if he would have said he dealt with it on the basis that it was wrongly made, on the basis that it was wrongly made by his department from a legal point of view, then that would be an answer to my question, and he wouldn't have to tell me what the legal opinion is. But I'm not satisfied that that's what happened because of the Minister's answer, and that's why I asked him in the House whether he deals with this on the basis of legal opinion.

Now, Mr. Chairman, I want to know whether it is not correct that there was a draft recommendation to Cabinet, I'm not sure how far it got, and the Minister said that he did consider various alternatives, that there was a draft recommendation to Cabinet to relieve against that assessment by waiving the taxes on the basis of the Cabinet's power to waive taxes.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Well, we're back to the same answer, Mr. Chairman. The answer I gave in the House still stands.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: The answer in the House was that Cabinet didn't discuss it. I'm asking him whether there was a draft recommendation to Cabinet.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr. Chairman, I told the member in the House that I gave consideration to this matter in terms of a recommendation to Cabinet. I gave consideration to all factors, I gave consideration to the legal opinion, I gave consideration to a number of cases I dealt with and I gave consideration to Section 41(3) and I made my decision. And I'll remind him that I think that he passed that Act, and he vested in the Minister that responsibility.

MR. GREEN: Mr. Chairman, I know what responsibility I vested in the Minister and I don't believe and I am not satisfied because of the way the Minister is answering that he exercised his authority under that responsibility.

A MEMBER: Let the court settle it then.

MR. GREEN: Well, Mr. Chairman, fortunately it may get to court because the Minister says Mrs. McKellar is not accepting the assessment.

MR. CRAIK: I didn't say that. I said that the matter that I assumed you were talking about had not been accepted. I never named any names, unlike you, I didn't name names.

MR. GREEN: Mr. Chairman, I gathered from the Minister's answer in the House and so did many other people who printed it that way that Mrs. McKellar has rejected that assessment. If that is not so, I think that then it will never go to court. If she has rejected the assessment then it will go to court, but if she has never rejected the assessment then a citizen of the Province of Manitoba will have been relieved against a tax, under circumstances where the Minister who now has said, Mr. Chairman, and I watched his words very carefully. He said that I considered a recommendation to Cabinet. Now I'll ask him, did his consideration of a recommendation to Cabinet go so far as the preparation of a draft recommendation?

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr . . .

MR. CHAIRMAN: The Member for Roblin on a point of order.

MR. MCKENZIE: I think that this matter that's before the Committee at this time, a deceased brethern, who was a member of this House, and the matter that the estate is still not settled should not be dealt with at this Committee.

MR. CHAIRMAN: The Member for Inkster on the same point of order.

MR. GREEN: Mr. Chairman, we are dealing with it. There's nothing that we are dealing with that will be considered by the courts. The Minister's actions will not be considered by the courts nor are they subject. The Minister's actions are not subject to review by the courts, his decision is subject to review. I have asked the Minister, who says that he considered a recommendation to Cabinet, whether his consideration of a recommendation to Cabinet went so far as the preparation of a draft recommendation.

MR. CRAIK: Mr. Chairman, does the member want to know everything I write on a memo pad, everything I eat for breakfast or lunch or anything else. You know, if he's now getting down to the point exactly of trying to know every final facet and detail of every consideration I took into account in this matter. I'm going to tell you right now that I said at the start of this and I say now that as far as I'm concerned the matter is not settled. Probably a lot of things I've already said now will not be to the benefit of any actions that may take place, one way or another, and I don't see any advantage to the government in fact discussing this further nor to either party in this matter.

MR. CHAIRMAN: Order please. To members of the Committee, is there any indication or fact to the matter that this issue is before the courts right now?

MR. CRAIK: No, it isn't.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I'm not going. . .

MR. CHAIRMAN: Then I would rule the point of order not valid at this stage of the game, unless we have proof that it is before the courts.
The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I'm going to say that the Minister says that I'm asking for every slip of paper. I'm not asking for every slip of paper. I'm suggesting, Mr. Chairman, that a situation has arisen where a former member of the Legislature's estate and other people, it is not one person, that the Minister has a repugnance to the estate tax. It was in existence in 1972. He has the responsibility of dealing with Notice of Objection. I'm not satisfied from his answers that he is dealing with them on the basis of wrongfully made assessments, that his statement that he deals with them objectively doesn't give us any assistance in this connection. And I'm suggesting that he chose 41(3) after realizing that if he did it in accordance with his draft recommendation or his considered recommendation, which he won't tell us whether he put it into a draft or not, because he doesn't want me to deal with every slip of paper that he signs. He wouldn't do it that way because if it was done that way the government would have to stand up and tell the people of the Province of Manitoba that they were relieving these people against taxation and it would appear in Order-in-Council and that 41(3) results in no Order-in-Council and the hope of keeping it secret. And that that is why the Minister proceeded in that way.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr. Chairman, I think the important questions here that have been asked and were asked, were those that have been dealt with. The member asked if I had prepared an Order-in-Council and taken an Order-in-Council to Cabinet and I think he even accused outside the House that an order had gone and the Cabinet had said take it back . . .

MR. GREEN: No, Sir.

MR. CRAIK: Well, that's what the paper said . . .

MR. GREEN: I don't care. I never said that. d

MR. CHAIRMAN: Order please.

MR. CRAIK: Why hasn't he got the guts to stand up and say he didn't say it? You know what he said? He stood up in the House and he said my understanding is . . . —(Interjection)— You know, he didn't have the intestinal fortitude to stand up and withdraw.

MR. GREEN: I have nothing to withdraw. —(Interjections)—

MR. CHAIRMAN: Order please. —(Interjections)—

MR. CRAIK: No, because you understood what you said, but the papers didn't.

MR. GREEN: Mr. Chairman, I asked a question in the House . . .

MR. CHAIRMAN: Order please. If the members will wait until they individually get recognized then we can probably get proper transcript going. The Honourable Minister was speaking.

MR. CRAIK: That's exactly what was reported and the member stood up in the House and he said, "My understanding is that I did not say that" You know who can't stand up in the House and say that. You know we've learned something new this year, that you can stand up in the House and say my understanding is that I did not say that. He said in the House that an order had gone to Cabinet . . .

MR. GREEN: On a point of privilege, I never said that' Mr. Chairman.

MR. CRAIK: That's what the papers reported. Why didn't he have the intestinal fortitude to stand up and say that he was wrongly reported?

MR. GREEN: Mr. Chairman, on a point of privilege, what I said in the House appears in Hansard. What I said to the press is I did not know and that's why I was asking the questions. —(Interjections)— That's well. . . You know what the papers say? —(Interjections)— I told the members of the press exactly what I told the Ho use, that the reason that I was asking these questions was because I had been given that understanding and I wanted to find out and I think Mr. Chairman, that I have found out more tonight possibly than we found out the other night. Because where the misunderstanding arose, was whether there was an Order-in-Council prepared. But what the Minister obviously won't say is to whether a draft recommendation was made and then decided not to be proceeded with because it results in an Order-in-Council, which would have been made public.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr. Chairman, the Member for Inkster has presented his own case and drawn his own conclusions without any substantiation.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, this matter raises concerns in my mind that go beyond, I think, what has already been discussed. In the first place, the Minister said that he would not discuss the legal advice he received because this may go to court. I cannot conceive that the taxpayer would appeal that portion of his decision which was favourable to her. In other words he made a decision that land which was registered in her husband's name, not hers, was jointly owned. And I can't conceive that she would object to that because that was her contention. So I don't see that that is a matter that has yet to be reviewed in court. I would assume that her not accepting his other decisions might go to court. That I can understand.

Mr. Chairman, I do believe that it is the responsibility of a Minister who has confidence in his staff to support his staff in its decisions and recommendations. I do believe that in this case the

staff made an assessment contrary to the beliefs of the beneficiary or the applicant. I do believe that a Minister under this Act or any other Act where the Minister has review authority, appeal authority, should be to start out by supporting the decision of his staff. Because if he doesn't have confidence in his staff he shouldn't have the staff. But he must look at the decision as objectively as he can to ascertain whether the staff was wrong. If there is any doubt as to whether the staff was right or wrong, then I think the Minister's responsibility is to support his staff, knowing full well that his role is only an intermediate step beyond which is an impartial objective public court, which would then adjudicate and might disagree with the staff.

I need only to refer to one of the costliest cases I know about and that is the case with International Nickel. Where, in my case, I was supportive of the staff's opinion and then when it was pressed because it was a very big amount of money, went outside and got a legal opinion that supported the staff and made a decision which the courts later obviously disagreed with.

MR. CRAIK: How about Air Canada?

MR. CHERNIACK: And the same applies to Air Canada. It was the staff's opinion. But the point I'm making is that it is for a Minister to be supportive and not the other way around because the Minister, like his own staff, is charged with carrying out the Act and to protect the taxpayer's moneys.

Now in this case, I venture to say based on a fair amount of experience that his staff believed that the beneficiary was not entitled to this consideration. I venture to say, based on some experience, that no lawyer would have said to him that the decision of the department was wrong and should be overturned. So on that basis I'm assuming that the Minister applied his own judgement. From there on in, I have to go by newspaper reports and I think it's rather serious because in one case, and this is the Winnipeg Free Press, there are quotes of the Minister. "The Minister said he had legal advice from the Attorney-General's department." No question about that. It doesn't say what they advised. Then it goes on to say, Craik told reporters, "Mrs. McKellar was left with a 12 year old son and no rights to the land, house, machinery or the grain in the bin."

Mr. Chairman, I assert that through inheritance she had all the rights to all of these assets and was not left destitute with no rights. But rather that there was no recognition given to any acquisition or of a share of these during their lifetime. The fact is that the grain in the bin or whatever else was always reported by the deceased as part of his estate. He reported his income tax, it was his during his lifetime and now there is an allegation that they had no rights to the land, house, machinery or the grain in the bin. Well, that's true. They didn't.

But then he goes on in his quotations, and, of course, he may have been wrongly quoted. "On paper she had this kind of an estate . . ." — that's an estate well in the excess of \$250 thousand. And the quote continues, "She did not have the cash."

Mr. Chairman, I happen to know that she had cash well in excess of the succession duties. I know that she had life insurance and I know because I was part of the House, which along with the Minister voted a lump sum indemnity payment to her for the year in which Mr. McKellar was a member but did not attend the House. So if he is correctly quoted and this in quotes, "She did not have the cash." Then that's not correct. Then it says: "The quarter section was not jointly registered, but rather was registered in McKellar's name."

Now, Mr. Chairman, we went through a great deal of debate in 1977 and 1978 on the rights that should be given to a spouse under the sharing of marital property. There was a lot of debate; there was a lot of objection. We finally passed legislation which gave considerable rights to a spouse, but those rights did not exist prior to the legislation we passed. Those rights were rights that some Courts found in some cases applied and in other cases didn't. The Murdoch case went to the Supreme Court and was lost.

Now, I am wondering the extent to which this Minister, and I'm concerned about his action as a Minister, whether or not he had proper hearings; whether or not there was proper consultation with people with knowledge; whether or not there were affidavits filed; whether or not there was any evidence supplied as to the extent of any participation in the building of the assets, because it would have to be a rather considerable background of decision by a Court to justify it. Why, right now we're witnessing what's going on in the States with a tremendous case involving a share of assets that a person is claiming. And if the Minister just went ahead and did it, then I would say that it was not a responsible thing to do — I don't begrudge her the money — but I do begrudge the fact that the Minister has apparently made a decision on what appears to be inadequate evidence.

I turn also to the columnist, Fred Cleverley, who has comments to make on this, and gives information as if he was aware of it, and I don't know where he got the information — I must

assume from what was said to the Member for St. Vital, that no member of the staff of the Department gave Mr. Cleverley the information — but he says that she had already appealed the assessment to the former administration three months before the election was held. Mr. Chairman, when I first heard of this whole problem it was when the Minister heard of it, when the Member for Inkster stood up and asked a question. I had no forewarning what he was talking about, or going to talk about, but at that time when he asked for information, I asked the Minister if he would make available to us the correspondence that took place with the former government. He did not produce it, I don't even recall that he promised to produce it, but I checked with the Minister of Finance at that time, who was Minister for at least a year before the election, and he had no recollection of an appeal having been filed with him three months before the election, and no recollection of anything that came before him other than a letter that he wrote to the beneficiary in January of 1977.

Now it would be helpful, I think, to a proper understanding of the Minister's actions, and what may have been his report to members of the press, if he made available to the former Minister that correspondence or that information which the former Minister had had during the time he was Minister, so that we could more fully appreciate the decision he made, the reasons for the decision, and the justification. I am now talking about the person who is responsible for the management of so much of the public funds of the province, and if his judgement was wrong — and I'm inclined to think that it was — then I think that's a matter of real concern. Whether or not there was any suggestion of favouritism is something altogether different. I'm talking about his judgement and his administration of the estate.

So I come back to what I said at the beginning, I doubt very much if his decision was based on a recommendation of his department or of legal advice, and I don't know how we're going to find out his basis, other than his assertion, but it would still be helpful to me if we had made available to us or to the Member for Seven Oaks, Mr. Miller, the file with which he dealt, so that at least Cleverley's statements could be confirmed or challenged, because Cleverley speaks with so much assertion that I suspect that he thinks that he knows the truth, and he must have gotten it somewhere. I think it would be helpful to clarify that part of it at least, because otherwise one would not give too much credibility to Cleverley's statements of fact.

MR. CHAIRMAN: 4.(d)(1)—pass; 4.(d)(2) Other Expenditures, \$17,300—pass; 4.(e) Corporation Capital Tax Branch —(Interjection)—

MR. CRAIK: No, I'm going to ask for a Point of Privilege on that. You know, I think that's a real cheap shot coming from the Member for Inkster about we see now how estates are dealt with. The only reason, Mr. Chairman, let it go on the record, that I haven't replied to these questions is the simple fact that I happen to be in the position, and they're not —(Interjection)— I happen to be in the position right now, and they're not, of having to be responsible for executive action on behalf of the people of the province, and I can't answer, you know. In due course, I will. History will speak for itself, and let's just wait and see.

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: I just want to tell the Honourable Minister that he did not hear me correctly. I said, "I'll show you how they deal with estates."

MR. CRAIK: Yes, I heard that. I heard you correctly.

MR. CHAIRMAN: 4.(e) . . .

MR. CHERNIACK: Just on the point of privilege I do point out . . .

MR. CRAIK: . . . smart ass.

MR. CHERNIACK: Could you put that on the record?

MR. CRAIK: Yes, smart ass.

MR. GREEN: It's better than being a horse's ass.

MR. CHAIRMAN: Order please.

MR. CRAIK: Us that aren't so literate just call you a smart ass.

MR. GREEN: What you have proved is that there's more horse's asses in the world than there are horses.

MR. CHAIRMAN: Order please. We have passed Item 4.(d). The next Item 4.(e)(1) Salaries, \$287,300—pass — the Member for St. Johns.

MR. CHERNIACK: The government brought in a substantial increase in exemption of Corporate Capital Tax, and it was intended to reduce the number of returns, as I recall it, substantially, because so many firms would become exempt of taxation. On that basis, I would like clarification of what is the impact of the increased exemption in terms of staff and staff responsibility.

MR. CRAIK: We'll obtain the numbers on the staff for that.

MR. CHERNIACK: Mr. Chairman, that, of course, applies to the question I'd asked in relation to Mining and Use Tax, Succession, and Corporation Capital Tax, but I would point out that in last year's Estimates book it showed \$341,000 for this Branch for the year ending March 31, '78; a request for March 31, '79, of \$416,500, which in these Estimates is translated to \$425,000, which is obviously the increase in the salary adjustment, and now there's a greater increase from \$425,000 to \$461,000, which I believe without having checked the arithmetic is more than the normal percentage increase in costs. And therefore, I think we ought to get a fairly full clarification of why it is that it's costing more than it did before — and maybe it isn't, maybe it's just estimated to be costing more than was estimated last year — but surely the Minister has the information as to the actual and the justification for the present amount, it's not just a mark-up by percentage.

MR. CRAIK: Well, the SMYs are the same — well, the member's gone now.

A MEMBER: He can hear you.

MR. CRAIK: The SMYs are the same as last year. What may have changed from the year before we can determine; there are three vacant spots in the SMYs of this year that were not there last year, the same number of SMYs are available. It hasn't made a large change in the SMYs obviously; it has made a large change in the number of companies, particularly small companies that are required to fill out forms, but it hasn't changed substantially the number of people involved.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Well, perhaps the Minister could explain why there isn't a tremendous drop in the work?

MR. CRAIK: Well, as the member may recall, the tax collected by the change in this reduced from \$13 million to \$11 million, or \$14 million to \$11 million last year, approximately. The reduction in the amount of tax collected is about eleven-fourteenths of what it was before.

It hasn't made a large change in the amount of forms to be dealt with, it has changed substantially the number of forms that have had to be filled out by the smaller companies.

MR. CHERNIACK: Mr. Chairman, assuming that every form received a review, and there were many taxpayers in the smaller brackets who made payments, which means money came in — money came out — assessments were made. If there's a substantial reduction in filings, then surely there should be a substantial reduction in workload. It just makes sense to me, but maybe I don't understand how computers work.

MR. CRAIK: It's very likely Parkinson's Law, Mr. Chairman, it's set in . . .

MR. CHERNIACK: Do you expect me to take that statement seriously?

MR. CRAIK: The number of people are reduced by about three out of the total of 16, and the amount of dollars they've collected was reduced from about \$14 million to around \$11 million, as I recall, for the last fiscal year. That's as much as I can tell you at this point.

MR. CHERNIACK: Could the Minister give me numbers of taxpayers? There must be a much greater reduction?

MR. CRAIK: I can find that out for you. I'll get those numbers.

MR. CHERNIACK: Well, then we can't really deal with this otherwise.

MR. CHAIRMAN: 4.(e)(1)—pass; 4.(e)(2) \$174,200— pass.

Resolution 51, 5. Federal-Provincial Relations and Research Division; 5.(a) Economic and Federal-Provincial Research Branch; 5.(a)(1) — my apologies to the Committee.

Resolution 50: Resolved that there be granted to Her Majesty a sum not exceeding \$3,960,200 of Finance Taxation Division— pass.

Resolution 51; 5. Federal-Provincial Relations and Research Division; 5.(a)(1) Salaries, \$372,100—pass — the Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, could we find out any change in staff?

MR. CRAIK: There are three new people, but they were in last year, so there haven't been any new ones this year, that's strictly the existing staff.

MR. CHERNIACK: So there's no change in the complement.

MR. CRAIK: No, there were two people came from Planning and Priorities Committee into the department, and one secretary last year, though; so there hasn't been any change.

MR. CHAIRMAN: 5(a) (1)—pass; 5 (a) (2) Other Expenditures, \$104,700—pass; 5 (b) (1) Salaries, \$111,500—pass —the Member for St. Johns.

MR. CHERNIACK: The program that was carried on by this branch, which was directed to assist people to complete their tax returns, and which ran into a problem of reduction in programs substantially, was partly helped I assume by the legislation attacking the refunds and the discounting of refunds. But I would like to have some kind of evaluation of the value of this branch now, as compared with what it was before, and I'm wondering the extent to which the minister can tell us.

MR. CRAIK: The value?

MR. CHERNIACK: Yes, Mr. Chairman, the minister reduced the cost of this branch, if you call it that, from some \$344,000 sstimated for the year ending March 31, 1978 to some \$140,000 for the year ending this month. I'd like to know what was the impact of that reduction ?

MR. CRAIK: HHow much of a reduction?

MR. CHERNIACK: Unless I don't quite follow what the money was spent for previously, the year ending March 31, 1978 had an allocation of — it doesn't show on that, I'm looking at the previous year — \$344,000.00. And, last year the minister reduced his request to \$140,000, a reduction of \$200,000.00. I do not recall the explanation, but I know it had to do with a reduction in program.

MR. CRAIK: Mr. Chairman, that's the year before, though.

MR. CHERNIACK: I know. — (Interjection)— I believ there was support given to CITS, which was an income tax service designed to help people to do their own tax filing and I don't remember whether it was our government or whether it had not yet been done, had prevailed on CITS to impose a fee, which I think they are now charging. I saw a report recently by that organization, which is a voluntary organization on the work they're doing, and a complaint in their annual report that their work has been hampered by lack of funding. So, I want to hear from the minister on that.

MR. CRAIK: There's only one group, as far as I know that gets support — that's that CITS that gets it. They get support from the government. But I think that's through Consumer Affairs; it's not through Finance. —(Interjection)— It's through Consumer Affairs.

MR. CHERNIACK: Can the minister indicate the impact of the change during this current year from last year to now?

MR. CRAIK: Yes, I guess that's primarily because of the change in the advertising and also the temporary people that we had doing the assignments of going out on the filling out of the income tax forms that we discussed in the House some two weeks ago. In total the SMYs, there were the equivalent of eight SMYs involved, and that's before they were involved in filling out forms. We've gone exclusively to the long distance and local telephone numbers and the advertising, and the enclosures in the tax forms for the purposes of the filling out of the forms.

MR. CHERNIACK: What yardstick, what measure do the research people have to show the impact of this change in the delivery of the program in terms of numbers of people served, returns filed, refunds. Is it too early to know, is there some mechanism whereby the research branch is able to come up with some measure that would justify the change in program, or might justify a further change in program?

MR. CRAIK: Mr. Chairman, the amount of the program was roughly — the amount of the grants that were out were roughly \$3 million over those that were initially budgeted a year ago. That was done by special warrant in January, so that will give some indication of the amount of cash distribution by way of the tax rebates that would be influenced by this operation. If you want the actual numbers, we'd probably have to do some research to find out the actual numbers.

MR. CHERNIACK: Is that a supportable comparison, the \$3 million? Surely there was some kind of . . . Wasn't the amount payable — property tax — wasn't it increased, wasn't the ceiling raised? Aren't there other reasons that would justify that kind of increase, or is that a direct relationship?

MR. CRAIK: Well, all I said was that there was \$3 million over what was budgeted a year ago. Now, whatever the increase would be, would be another question.

MR. CHERNIACK: But the minister isn't trying to relate the \$3 million to the reduction in the program of filling out of forms.

MR. CRAIK: Oh, no. No, I'm trying to answer your question as to what was the impact of the change. I said the only measurable thing I can tell him that has happened in the overall terms, rather than \$130 million or whatever the figure was last year, it turned out to be \$133 million.

MR. CHERNIACK: But you can't relate that to the tax assistance program.

MR. CRAIK: No, but you know, the tax assistance program, the accusation in the House was that we had saved \$20 million by not having part of this thing operative, which were the people going out, and these were the eight SMYs that were involved in the program, and all I'm trying to tell you is that if that's the case it's not evident because, in fact, the cost of the distribution of the funds through the rebate system was \$3 million higher than what was budgeted.

MR. CHERNIACK: In the first place, I didn't make the accusation, and in the second place, I don't know the basis on which it was made, and in the third place, I think he was talking about this year for what has not yet been refunded, not last year and, therefore, although the accusation, I don't know how accurate it can be, will not be known for a number of months to come, I should think. But surely, if — I'm not saying surely, I don't know; but we do know, I assume, how many tax forms were completed last year through any assistance of this program, and we should know how many tax forms were completed this year, so far, with the assistance of this program. We do notice, as I did, that the chartered accountants are proudly saying that they're going out and doing this job now — which is good, it's commendable that they should be. But are they covering to the extent that the Tax Assistance Office was doing formerly?

MR. CRAIK: Probably the only way we can be helpful in your question would be to attempt to get the numbers of applicants and forms. There is some information by way of the telephone service, because there's a record kept, as you are probably aware, of the types of calls that come in to the central information system. Those two, other than the total numbers of dollars would probably be the most likely indicators.

MR. CHERNIACK: Well, then I understand the minister will look into the question of the . . .

MR. CRAIK: I'll try and get you those.

MR. CHERNIACK: . . . numbers, and we'll be able to sort out in the telephone calls those which came in relation to a federal program, and those which came in relation to our own tax assistance rebates.

MR. CRAIK: Yes, there are a lot that come in with regards now to the federal program, because of the new Child Tax Credit currently, but we can probably tell to the end of the calendar year anyway pretty well. —(Interjection)— Apparently we don't break out in terms of whether they're income tax calls, or they are rebate calls.

MR. CHERNIACK: Mr. Chairman, I'll leave it at that. I would expect the minister to produce as much information as he can from which we can try to draw conclusions if possible in due course.

MR. CHAIRMAN: 5(b)(1)—pass; 5(b)(2) Other Expenditures, \$38,200—pass.

Resolution 51: Resolved that there be granted to Her Majesty a sum not exceeding \$626,500 for Finance, Federal-Provincial Relations and Research Division—pass;

Resolution 52: 6. Tax Credit Payments, \$140,000,000—pass — the Member for St. Johns.

MR. CHERNIACK: There were matters that I wanted to raise under this section; there was even a justification I expected for this new amount, but I will desist on the basis of the understanding I received from what the minister said earlier in this committee, that there will be a policy change proposed in a White Paper, and that this amount is based on their calculation of an increase over last year, but it's not really the program which you expect to carry out. If that's correct, there's no point discussing this.

MR. CRAIK: Yes, it's a projection based on the continuation of the previous program, and we do expect to make changes as a result of a White Paper that has been indicated, and therefore, the amount that is in there is an approximation and the appropriate time to deal with it would be when the White Paper comes out, and the final figure is more accurate than the one indicated here.

MR. CHERNIACK: Mr. Chairman, in the event that — and it wouldn't surprise me if there is a reduction as a result of the government's program — will that be shown as a reduction in the Estimates by an offsetting amount in supplementary supply or some other way?

MR. CRAIK: Yes, I would think so. It would have to be. Sure.

MR. CHERNIACK: Well, I don't think it has to be. I don't think it would have to be, because you could project a surplus or deficit at the end of the year, and not ask for more money if you needed less, and you would just not spend it and it would lapse, and that would affect the proper accountability. So I'm saying then in all fairness, if there's a major change in what is a really major program, and that major change is designed to reduce the cost to government, then I would expect that it would probably be in some way reducing the budget's requirement, and thus, reducing the surplus or increasing the deficit as it will appear at that time.

MR. CRAIK: I guess the answer to it is that the White Paper, when it comes out, will indicate the projected costs of any changes that would be proposed and ultimately the government policy with regards to both changes would have to be known. The influence of that on the budget up or down would have to be spelled out. If the question is if it is down, would that be reflected in Supplementary Supply. . .

MR. CHERNIACK: In a negative. . .

MR. CRAIK: . . . in a negative way? I guess we'll have to cross our bridge when the time comes. I can tell the member that it hasn't occurred to me that that might happen, but if that's the case, well. . .

MR. CHERNIACK: It's occurred to me.

MR. CHAIRMAN: Resolution 52: Resolved that there be granted to Her Majesty a sum not exceeding \$140 million for Finance Tax Credit Payments —pass.

Resolution 53, 7. Program Analysis and Review, 7(a)Salaries \$201,900—pass — the Honourable Member for St. Johns.

MR. CHERNIACK: Since this is a departure from what went on before and not necessarily right now, but could we get a breakdown . . . well, you probably have it now, of the staffing of this branch.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Yes, there are 7 people, 6 and 2 vacant; 6 people and 2 vacant in that operation right at the present time, and they are all people who have been seconded from the former Management Committee, except the 2 vacancies.

MR. CHERNIACK: May I suggest the word "seconded" probably should be "transferred".

MR. CRAIK: Transferred, yes.

MR. CHERNIACK: Who is the person currently directing this program?

MR. CRAIK: Eric Preston.

MR. CHERNIACK: And reports to whom?

MR. CRAIK: To the Deputy Minister.

MR. CHERNIACK: Direct to the Deputy. And works with the Treasury Board.

MR. CRAIK: The Deputy Minister of Finance is the Secretary of the Treasury Board, and Eric Preston, who is the Director of the Program Analysis group reports to the Secretary.

MR. CHERNIACK: Mr. Chairman, I wonder if at this stage I could ask for clarification. I thought that Mr. McCance was sort of the head of the administration of Treasury Board. Am I wrong about that?

MR. CRAIK: He is Executive Assistant to the Chairman, which is myself. He's not a line person; he's a staff person.

MR. CHERNIACK: Is he Executive to the Minister of Finance or to the Chairman of the Treasury Board?

MR. CRAIK: To the Chairman.

MR. CHERNIACK: Chairman of the Treasury Board.

MR. CRAIK: Yes.

MR. CHERNIACK: So that this Mr. Preston reports to the Secretary of the Treasury Board and not to the Assistant to the Chairman of the Treasury Board.

MR. CRAIK: Right.

MR. CHERNIACK: And the Treasury Board. . .

MR. CHAIRMAN: The Honourable Member for St. Johns.

MR. CHERNIACK: I'm sorry, I know, it's my fault, I should slow down. The Treasury Board consists of Cabinet Ministers only.

MR. CRAIK: Right.

MR. CHERNIACK: And it is served by the Deputy Minister who acts as Secretary, and it has an Executive Assistant attached to the Chairman, and other than that there are these 6 to 8 people.

MR. CRAIK: That's it.

MR. CHAIRMAN: 7.(a) —pass — the Honourable Member for St. Vital.

MR. WALDING: Mr. Chairman, I did ask the minister a couple of questions I believe it was on Tuesday evening that he took as notice and said that he would attempt to get hee information for us at a later date. If the information was given in my absence, I can read it in Hansard, but I am wondering if it is available at this time. I see that we are getting towards the close of the Department.

MR. CRAIK: Was that one question re Highways Vote?

MR. WALDING: Yes.

MR. CRAIK: We'll have that for you tomorrow. We don't have it at the moment. I understand we can have it by tomorrow for you.

MR. WALDING: That would be appreciated, Mr. Chairman, and there was one other question having to do with warm bodies.

MR. CRAIK: We'll have that for you within a day. That's in the same category; it's under way.

MR. WALDING: Thank you, Mr. Chairman.

MR. CHAIRMAN: 7.(a)—pass; 7.(b)Other Expenditures, \$30,000—pass.

Resolution 53: Be it resolved that there be granted to Her Majesty, a sum not exceeding \$231,900 for Finance, Program Analysis and Review —pass.

Resolution 54, 8. Manitoba Energy Council \$514,600, 8.(a) Salaries \$195,800 — the Honourable Member for St. Johns.

MR. CHERNIACK: There is an increase indicated. Could the minister explain?

MR. CRAIK: There is a provision in here for one additional person in the Energy Council operation.

MR. CHERNIACK: Well, that's not enough.

MR. CRAIK: That's the \$30,000.00.

MR. CHERNIACK: Even at 30; 188, getting closer.

MR. CRAIK: It's getting pretty close. You got your GSI.

MR. CHAIRMAN: Pass.

MR. CHERNIACK: No, no.

MR. CRAIK: GSI, 5.2, yes.

MR. CHERNIACK: Is that \$30,000 person the Director or whatever he is called?

MR. CRAIK: No, PO 10.

MR. CHERNIACK: Who is the Director?

MR. CRAIK: Morris Chochinov.

MR. CHERNIACK: And this additional person; is it a filled position or . . .

MR. CRAIK: It's currently a contract position.

MR. CHERNIACK: Which is being converted to staff?

MR. CRAIK: One provision is for that.

MR. CHERNIACK: For staff?

MR. CRAIK: It hasn't been confirmed but the provision is for it.

MR. CHERNIACK: I have some questions to ask but maybe they will be answered . . . Are we now going to deal with Resolution 109(e), because it seems to . . .

MR. CRAIK: Oh yes, yes.

MR. CHERNIACK: I don't want to duplicate, but I have questions to ask on this No. 8, Resolution 54, but does it tie in with 109(e)?

MR. CRAIK: Yes, 109(e) should be dealt with at this point.

MR. CHERNIACK: Well, I invite the minister to do so.

MR. CRAIK: Well, the provision in 109(e) is the joint federal-provincial program that has been announced by the federal government. It hasn't been entered into at this point in time with the province and with the federal government, but provision has been made for it under that Vote; under the Canada-Manitoba Enabling Vote. I will give you a little more background to it. It's expected that over a five-year period, that the federal government by their announcement on their total energy package, has indicated that they want to distribute an amount of roughly \$114 million. I think that's approximately the figure in Canada. The amount that they have indicated that they are willing to negotiate with the province on a shared basis over the five-year program, is roughly \$9 million. So what we have. . .

MR. CHERNIACK: It'll be over five years. . .

MR. CRAIK: Five years. —(Interjection)— No, \$9 million over five years. So what has been done here is to earmark at this point in time until such time as the program is defined, is to mark \$1 million as the total for this particular year.

MR. CHERNIACK: What will it be?

MR. CRAIK: Well, it's primarily Renewable Resources research; that's what they are aiming at.

MR. CHERNIACK: We're being asked to vote for half a million dollars for research in Renewable Resources in the field of energy. Well, does that mean drilling for gas?

MR. CRAIK: No, that's not renewable.

MR. CHERNIACK: No, that's right, drilling for what? Water.

MR. CRAIK: Wood.

MR. CHERNIACK: See, it's not even that late, Mr. Chairman, but the renewable energy resources are wood, and water, solar.

MR. CRAIK: And conservation programs generally.

MR. CHERNIACK: Again for wood?

MR. CRAIK: Well, no. I mean, renewable is the emphasis, but conservation generally can apply to building standards, development of biomass techniques, solar, anything.

MR. CHERNIACK: So this \$9 million over the next five years is part of the \$100 million program that was announced in the Throne Speech.

MR. CRAIK: Yes, right. Even without that, it's \$100 million, so it could be. . .

MR. CHERNIACK: Well, I'd like to know more about it because it sounds very nebulous to me so far and I am sure the minister would want to justify half a million dollars a little more detailed.

MR. CRAIK: Well, that's the one exception here that you will find is that the other Enabling Votes are 15 percent of the amounts voted in the individual departments. The Enabling Vote for the Energy one contains all of that Vote, and it's an enabling vote and it's the one that has not been entered into. The agreement has not been entered into yet and there is one other there that has not been entered into at this point in time, I think. No, I'm wrong on that. That's the only one that has not been entered into. It's under discussion and is provided for in the Estimates.

MR. CHERNIACK: Mr. Chairman, nevertheless, we are being asked to vote a half a million dollars net, for a program about which we know nothing. I believe we know nothing, because I know nothing about it and I would like to, at this stage, know more about it if we are going to pass a resolution on that. In other words, it seems to me that if it is so vague that we can't discuss it, why isn't it being left for Supplementary Supply, or even Special Warrant?

MR. CRAIK: Well, for the reason that we do intend to enter into the program, it has been under negotiation.

MR. CHERNIACK: Well, is it a federal program or a joint program?

MR. CRAIK: No, it's the same as the DREE program. It's one that is negotiated on the same type of basis as the DREE programs in conjunction with the federal government.

MR. CHAIRMAN: I wonder, members of the committee, if I could get some clarification here. We're dealing with Resolution 109 now, or will this be coming up again?

MR. CRAIK: Mr. Chairman, sorry, just to clarify. The components that are in 109 actually should be dealt with under the individual votes of the individual departments, and therefore 109(e) rightfully belongs for discussion under the present vote that we're under which is Vote 54.

MR. CHAIRMAN: If I may for clarification again then, do we have these up for rediscussion again when the Resolution 109 comes up? Could the Honourable Minister clarify ?

MR. CRAIK: In total, at least. I think it will be up to the Chairman at that point whether you want to rediscuss them or not.

MR. CHAIRMAN: For again my clarification, I believe we cannot pass Resolution 109 today. Am I right?

MR. CRAIK: No.

MR. CHAIRMAN: Whole or part? I

MR. CHERNIACK: I don't see how you can pass Resolution 109 without having all the other ministers present and going into each of these items, and I think also that that would be a matter that would have to be probably cleared by an understanding between the government and the opposition in terms of how best to handle one, two, three, four, six ministers. This minister wants to take on two of us at once, but I don't want to take on six ministers, especially when they're not here.

MR. CRAIK: The hallway wasn't big enough to take you both on.

MR. CHERNIACK: I see, well that's it.

MR. CHERNIACK: Well, so I don't see how we can do other than to discuss that energy agreement of a million dollars, as coming under Manitoba Energy Council, but in the end I think you're going to have to have a separate vote and the possibility of further debate on Resolution 109. So, I don't think we're dealing with 109. What we're dealing with is a proposed program of \$1 million dollars to be handled up by the Manitoba Energy Council, and that's why we're debating Resolution 54.

MR. CHAIRMAN: Well, I'm wondering, if I may, to the Committee then, by the time we would possibly deal with this 1(e) as such under Resolution 109, possibly more information would be available in terms of the agreement as such.

MR. CRAIK: That depends when it comes forth, Mr. Chairman. The only thing is that technically, that's true. It should be voted under 109 and not here. The only thing is that in each case, it relates to the specific department and it's more convenient, we felt, for it to be discussed. But, you know, it's entirely up to the committee. If you wish to discuss it later under 109, that's fine.

MR. CHERNIACK: Well, Mr. Chairman, I'd like to know now what it is that the Energy Council will be doing in relation to this announced \$100 million dollar program which sounds good. A hundred million is always a nice, round sum that I've been hearing for many years.

MR. CRAIK: One million.

MR. CHERNIACK: A \$100 million program, of which this is . . .

MR. CRAIK: That's Federal.

MR. CHERNIACK: The Throne Speech talks about \$100 million dollars, and you say that this is \$9 million out of the \$100 million, or maybe in addition to the \$100 million, and I want to make sure that we have every opportunity to learn what that \$100 million is about, because a fifth of it, presumably, is here somewhere. And that's what that \$9 million is, is one-half of one-fifth of a \$100 million, isn't it?

MR. CRAIK: Well, Mr. Chairman, it's not necessarily split one hundred divided by five, because they all flow differently in different years. But, essentially, the \$100 million is made up from, 44 from the Industrial Agreement, 22 from Tourism Agreement, roughly 20 from the Agriculture Agreement, which brings you up to about 88. There's nine in the Energy Agreement if you want to count it in. That may change. The Northlands Agreement is 20 — more than 20, it's between 20 and 30 — I think this year's alone is pretty close to the 20. So that if you add them all up together, over the five-year program, you're up to in the 100 to 120 range. But the Throne Speech stated that over the five-year period the DREE Agreements would be in excess of \$100 million.

MR. CHERNIACK: Mr. Chairman, I want to suggest that we refer to the House Leaders the decision as to how to deal with Resolution 109. I suspect that the best way might be in the House, at the conclusion of all the estimates where all the ministers are present, and it could be dealt with in a sort of an orderly package, rather than split it up. Now, that seems to me to be logical, but if the Minister of Finance doesn't agree with me, then we'll have to go into it more fully here, that Item (e), lest we be told later, well, you've already passed the Manitoba Energy Council and therefore you're foreclosed in dealing with it. I'm only suggesting an orderly fashion.

MR. CHAIRMAN: Is the Member for St. Johns then suggesting that we proceed with Resolution 54 tonight?

MR. CHERNIACK: Yes.

MR. CHAIRMAN: Leaving the area of Resolution 109 to a later date.

MR. CHERNIACK: Providing I can get an understanding, he doesn't like the word, but have an understanding with the Minister of Finance that we are not foreclosed from discussing 1(e) at a later date.

MR. CHAIRMAN: It would be my understanding to the members of the Committee that, until the item is actually passed, whether at a later date or whenever, that it would be open for discussion. Am I wrong in this assumption?

MR. CRAIK: Yes, well, we ought not to foreclose that option.

MR. CHERNIACK: Actually, that's all we're saying.

MR. CHAIRMAN: Can we proceed with passing of Resolution 54 then?

A MEMBER: Well, we can proceed with dealing with it.

MR. CHAIRMAN: 8(a)—pass.

MR. CHERNIACK: Mr. Chairman, I have some questions on that.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: I ask the Minister to indicate to us what progress has been made on the study for the establishment of the National Electric Power Grid System.

MR. CRAIK: Well, the National Electric Power Grid System has been dropped as an objective by the Interprovincial Advisory Committee on Energy. However, the Western Electric Power Grid Study has moved along very satisfactorily, and is to be dealt with by the western First Ministers at their Western Premiers' Conference on March 26th — 27th in British Columbia when they meet, which is only ten days or so away. The report is in to the joint Interprovincial Study Committee with regard to that, and I expect will be tabled at that meeting.

MR. CHERNIACK: Could the Minister indicate Manitoba's position on the Western Grid?

MR. CRAIK: Not very easily, Mr. Chairman, because it was an interprovincial study and the reports that come out of it will actually be, primarily, a joint report by the four provinces. I chair the committee of the four ministers of the four western provinces that have been involved in the study, but the formal report of it is by the First Ministers themselves and the Premier of Manitoba is presenting that report at the meeting.

MR. CHERNIACK: I distinguish in my mind between a report of a study group consisting of the representatives of the four provinces, between that and a position on behalf of a province which may be in support of recommendations of the report, or may differ to some extent. Let me just elaborate by saying it is my impression that a grid, be it western, national, or any shared grid, involves a certain amount of giving up of the autonomy of the control of the use of power. It seems to me that that's correct, and if so, is Manitoba prepared to give up its control, or partially its control of power generated in Manitoba, in exchange for, let us say, power generated through energy of a non-renewable resource by a province with influence which has a different vested interest than Manitoba might have?

MR. CRAIK: The question that has been asked is really the one that is going to be probably the most difficult for the provinces to deal with. There's really three parts to the study. There's the technical, the economic and the jurisdictional part of it. The first part of the study is really the technical and the economic, and that's the study that will be dealt with primarily by the First Ministers.

The second part of the study, which is the jurisdictional part, is the one that would be subsequent to that in the event that they felt that there were technical and economic grounds that were sound enough to proceed on. So the question that the member's asking is really the most important question, but really is — well, I shouldn't say the most important — the most important is technical and economic from the point of view of justifying even proceeding to the second.

MR. CHERNIACK: So that, at this stage, it's only a report dealing with the economic advantages or disadvantages and the impact on each of the various users, I suppose, provincial users, from which will flow a decision whether or not to proceed with further studies. So that there's no need yet for a position that might be taken by Manitoba that could differ from the others at this stage.

Is that correct?

MR. CRAIK: That's essentially, now, what we're doing, is looking at the results of that study and trying to determine Manitoba's gains and losses and positions and so on, and entering into any discussion that might come out of the next phase of it, assuming that it's considered by the joint examination of the premiers as to whether it's worth moving on to the next stage with. So that, what we've been doing at this point in time is, as in the final stages of it, is really to go into it in depth and examine Manitoba's short' medium and long-term advantages and disadvantages involved in this, and the gives and takes that are going to be necessary to make it work, assuming that it's considered to have sufficient economic and technical benefits for western Canada.

MR. CHERNIACK: At this stage, is there likely to be a difference of position of interpretation of the economics; is that yet to be evaluated or is that being done concurrently?

MR. CRAIK: Probably too early to tell, because all the provinces are doing exactly the same thing now. They've taken the macro study, which is really the overview study of the technical and economic findings of the Research Committee, and they're now attempting to determine how they can fit into the total picture and on what basis.

MR. CHERNIACK: Would the study dealing with the Western Grid relate in some way adversely, or beneficially, to a north-south midwestern grid?

MR. CRAIK: Well, that comes down to a matter of opinion, and in my opinion it combines beneficially.

MR. CHERNIACK: The word "combines" means then that the north-south grid, which I understood has the benefit of different climatic conditions, would then be able to pass on certain benefits in a sort of an angle fashion going up to Manitoba and across to B.C., and thus have some effect on the cost of energy or the export of energy into Ohio, or Iowa, or Minnesota. And that is being studied . . . that's part of the study?

MR. CRAIK: Not of that study. Well, yes and no. There are other studies going on on north-south. That study has included consideration of the fact that both Manitoba and British Columbia, with a heavily concentrated hydro system, are tied in north-south, and that the Alberta and Saskatchewan systems, which are primarily thermal, coal, oil and gas, are not tied in north and south and are primarily have different characteristics in that they don't have the water power to deal with in their systems. So, from that point of view the east-west study has considered the back-up capability of the north-south ties in both B.C. and Manitoba.

MR. CHERNIACK: When are these studies likely to be available to the public for review?

MR. CRAIK: Mr. Chairman, I would assume that they'll be tabled probably by the First Ministers at their meeting.

MR. CHAIRMAN: 8(a)—pass. The Member for St. Johns.

MR. CHERNIACK: I'd like to ask about a different approach than that, is Manitoba's position vis-a-vis the possibility of increased export of natural gas to the United States. Has Manitoba taken a position on that?

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Well, it depends now, are you talking about Alberta or really Frontier gas?

MR. CHERNIACK: I'm talking about Canadian gas.

MR. CRAIK: Canadian?

MR. CHERNIACK: Yes, let me elaborate. I understand that there is a request under consideration, it may be constant, from the United States users for increased supply of natural gas from Canada, and this can only pass if the Canadian government permits it. Now is Manitoba taking a position on that principle or that policy bearing in mind that that is a non-renewable resource that is being

exported, and would be exported to a greater degree if it is increased.

MR. CRAIK: Mr. Chairman, the only way that that can be answered is that, on the basis of swap gas — Canada exporting gas in anticipation of receiving Alaskan gas at some point in time in replacement — presents no problem. The export of Canadian reserves over and above the criteria that Alberta has established for itself, and to the extent that that may not be available in terms of protection for the rest of Canada, is one to which we would take objection; and which we did state at the hearings that were held on the general gas hearings last fall by the National Energy Board. The National Energy Board appears to have adopted the position which is similar to the position which we stated, and that was that Canada should reserve on the basis of a formula that is similar to that for Alberta, which in very rough terms says that we should have 30 years of deliverable so-called gas supplies in Canada.

Now, to that extent, if the National Energy Board in its wisdom deems that we are protected to that extent, we have no quarrel with them. We're not sure that their recent decision, in fact, reflects that, and we've had their report for about ten days now on their most recent recommendation regarding the 2 trillion of cubic feet that they are talking about releasing for export.

MR. CHAIRMAN: 8.(a)—pass — the Member for St. Vital.

MR. WALDING: Just a couple of small items while we're still on the Energy Council, and I'm not sure whether this is the right place to mention the first one and that has to do with the solar energy experiment on the roof of the Legislature, which the Minister had something to say about, I believe, the last time his Estimates were before the Committee. Can the Minister tell us the status of that experiment, and whether it properly comes under here, and what's happening to it?

MR. CRAIK: It wouldn't come under here, Mr. Chairman. We've asked the University to give us a proposal on its operation, and in anticipation of that, we expect to enter in some sort of agreement with the Industrial Research office at the University for the operation of the experiment here.

MR. WALDING: Yes, Mr. Chairman. Is the experiment still functioning; are the solar collectors still in place, and the storage tanks, etc. working?

MR. CRAIK: It's still in place but it hasn't been operating this winter.

MR. WALDING: The explanation given under this item, Mr. Chairman, says that the Energy Council provides information on energy demand. Would this include electrical energy demand?

MR. CRAIK: Well, yes, the Energy Council has been working on an analysis of all the energy demand forecasts for all forms of energy, so to that extent it does, yes.

MR. WALDING: Would that then include a forecast of electrical energy demand over the next few years?

MR. CRAIK: Yes.

MR. WALDING: Can I then ask, is the Energy Council doing this in co-operation with Hydro, or is this an independent assessment?

MR. CRAIK: Well, it's in co-operation. The information is based on the basic information received from Manitoba Hydro.

MR. WALDING: Mr. Chairman, inasmuch as Hydro's whole construction program and forecasting is based on its assessment of energy demand over the next five to ten years, does the Minister see any duplication here of two sets of people doing the same job?

MR. CRAIK: Well, inasmuch as they've come out with two different answers, it's hard to tell whether it's duplication or not.

The Energy Council comes out with a lower forecast than Manitoba Hydro does, but I don't know whether that means it's been a good investment of duplication or a bad one. Maybe we need a third one.

MR. WALDING: That was going to be the next question, Mr. Chairman, whether it's going to be

up to this Minister to make a policy decision as to which of those two recommendations he accepts?

One other item on this that I wanted to ask of the Minister, and that is whether the Energy Council considers nuclear energy to be a renewable resource or a nonrenewable resource?

MR. CRAIK: We consider it to be a nonrenewable resource.

MR. WALDING: Can the Minister tell the Committee to what extent the Council is involved in the planning of or investigation into the effects of the nuclear generation of electricity?

MR. CRAIK: The Energy Council hasn't been involved, or the staff have not been involved in that area at all. They have been primarily really involved in doing the work on gas and oil, and renewable energy insofar as it relates to the proposed agreements that we're anticipating that we'll enter into with the federal government on the joint programs and such, and the forecasting work of all the types of energy, and the anticipation is that we will be able to produce what we hope is reliable information on both forecast demands and prices within the not too distant future.

MR. WALDING: Can I ask the Minister if the Energy Council is doing any research of its own or initiating any research, or is it merely collating and classifying research information and other documentation from other bodies and other jurisdictions?

MR. CRAIK: Well, I think the amount of direct research that is done is very limited. The direct research that is still being completed is the work on the Wood Gasification Project, and it is just at this point at the test stage — operational stage. There is research work being completed on the Hydrogen Generation Project; that's a study, it's not actually a working operation, it's a study that's being done in conjunction with Trans Canada Pipelines and with the Battelle Institute that's still being completed; and it has thwarted projects such as the Energy Efficient Vehicle Test programs at the University, or is in the process of arranging to support it for the remainder of its project life; and also a few other projects that have been carried on directly by other groups primarily at the University.

MR. WALDING: Mr. Chairman, I think it's the last question. When the Minister mentions the production of hydrogen, is he speaking of the production of hydrogen by the electrolysis of water?

MR. CRAIK: Yes.

MR. WALDING: Thank you. No further questions.

MR. CHAIRMAN: 8.(a)—pass; 8.(b) Other Expenditures, \$318,800—pass;

Resolution 54: Be resolved that there be granted to Her Majesty a sum not exceeding \$514,600 for Finance Manitoba Energy Council—pass.

MR. CHAIRMAN: I would like to refer the Committee to Resolution 47 — the Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, on a point of order, I think Public Debt is not a Resolution, but nevertheless it's for discussion at this stage.

A MEMBER: Nevertheless important.

MR. CHERNIACK: A little money. Mr. Chairman, under the Salary item there are quite a large number of matters to be dealt with. It's

It's ten to eleven, and I for one don't care much if we deal with Public Debt now or tomorrow, but I assume that Salary we will be dealing with tomorrow. so I don't know whether — shall we decide to adjourn, or deal with Public Debt and then adjourn — I don't think it matters very much.

MR. CHAIRMAN: Well, if I may, my understanding is that the item on Page 38 is something that will be dealt with under the Minister's Salary, it is not a Resolution as such?

MR. CHERNIACK: That's fine, but it's going to be dealt with.

MR. CHAIRMAN: I'm at the guidance . . .

MR. CHERNIACK: Well, it's going to be dealt with. There is no Resolution for the Statutory Public Debt column, but nevertheless it's going to be discussed. So since I don't believe we can possibly finish today, I don't know whether you want to go into Public Debt now or deal . . .

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Why not deal with it under the Minister's Salary then?

MR. CHERNIACK: It doesn't matter.

MR. CRAIK: Well let's carry on and deal with it then.

MR. CHERNIACK: Do you want to deal with Public Debt now?

MR. CRAIK: 47: 1.(a), and we can deal with the Public Debt under it then. It isn't one that comes under a vote, but you can discuss it.

MR. CHERNIACK: Well, let's deal with Public Debt now then.

MR. CRAIK: Well, why not deal with the Minister's Salary, and if you want to range into Public Debt, go ahead, but it doesn't require a vote.

MR. CHAIRMAN: Resolution 47: 1.(a) Minister's Compensation — the Member for St. Johns.

MR. CHERNIACK: I want to deal with Public Debt, Mr. Chairman.

MR. CHAIRMAN: I think that would be in order.

MR. CHERNIACK: Of course it's in order. That's why I want to deal with it.

MR. CHAIRMAN: That's fine.

MR. CHERNIACK: Well, Mr. Chairman, the \$6.3 million which is a change in former accounting practice, is one on which I am not clear and on which I would like to hear some elaboration?

MR. CRAIK: Well, Mr. Chairman, it's the same category of change as was done last year, as I mentioned earlier, with the sinking funds, the money which was traditionally shown as an expenditure, simply showed up on the asset side of the books. The Provincial Auditor recommended, and I gather has recommended for some time, that rather than showing it as an expenditure — since it was taken out and put in as an asset on the other side — that it should simply be deducted because it really isn't an expenditure to the extent that it remains as an asset. This isn't exactly the same, but enters the picture on the same basis. It's investment income, related from the debt retirement reserves, and therefore it's entered in here as a reduction simply because it should not show up as a revenue.

MR. CHERNIACK: Mr. Chairman, where does it show up in last year's accounting?

MR. CRAIK: La year it showed up as a revenue, \$6.3 million under Page 86 of last year's revenues.

MR. CHERNIACK: Which category?

MR. CRAIK: In which vote? Page 86.

MR. CHERNIACK: Yes, that's the amount of items. Where. . .

MR. CRAIK: Way down at the bottom. (e).

MR. CHERNIACK: (e).

MR. CRAIK: Yes.

MR. CHERNIACK: Investment Income Related to Death, Retirement And Reserve is shown is shown as revenue. And the expenditure then was shown under (f)? No. It wasn't shown at all. Is that right?

MR. CRAIK: Had to be.

MR. CHERNIACK: Where was the expenditure shown last year?

MR. CRAIK: It's a revenue item. It's just this year, not shown as a revenue. It disappears in the general expenditures.

MR. CHERNIACK: If it was shown last year as revenue, and I don't if, it was shown last year as revenue, increase the revenue, that could be a corresponding expenditure which I presume was shown as part of the \$54 million allocated for payment of public debts. What would it have been included in, what figure was reduced in order to arrive at that?

MR. CRAIK: Well, that's what the reconciliation statement is for. If that's what you mean, it shows on the left hand side of this year's. But I mean last year the \$6.3 million that came in as revenue would go out through the general expenditures wherever they were. Correct?

MR. CHERNIACK: I think it was shown last year under 10. (2)(f).

MR. CRAIK: This year it's shown simply as a reduction of public debts costs.

MR. CHERNIACK: Mr. Chairman, I'm clear on where it is shown here. I would like to reconcile this with where it was shown last year. And last year, I've just been shown it's correct that it was shown as a revenue item but it had to balance against an expenditure item which I assume is on Page 34 of last year's book. It may be (2)(e) or (2)(f) and I would like clarification on that because there are changes between what was shown in last year's Estimate Books and this year's Estimate Books. I see exactly where it is.

MR. CRAIK: You see exactly where it is?

MR. CHERNIACK: I see it under item (2). In last year's book it was shown as \$106,261,000 as a total of item 10.(2), and this year on the left side it is shown at a 112,564,000, the difference being exactly \$6.3 million. So I see it there. But I have not yet seen the re-allocation of the itemized. I can do it for you if you like. (a) is the same, (b) is the same, (c) is the same. —(Interjections)— (d) is the same. Pardon?

MR. CRAIK: What page are you on?

MR. CHERNIACK: (d) is the same. I am looking at . . .

MR. CRAIK: Are you in this year's or last year's?

MR. CHERNIACK: Mr. Chairman, I am looking at last year's book, Page 34, Item (f). At \$31,597.00. Did you see that? I am also looking at this year's book, Page 38, Item (f) which is shown differently from last year, and (g) here which is new, and I assuming that somewhere there is \$6 million. As a matter of fact. . .

MR. CRAIK: They come to the same amount, don't they? 20 plus 10.

MR. CHERNIACK: I want to understand how it's being treated. Well, I showed you earlier that there is a difference of \$6.3 million. I don't know just where it came about, was it under item (f) or item (g) or combined?

MR. CRAIK: You are referring to item (f) and (g) of this year's?

MR. CHERNIACK: Yes.

MR. CRAIK: Other Loans, \$20,752,000.00? .

MR. CHERNIACK: No, 27, I am looking at the left hand column.

MR. CRAIK: Oh, you are looking at the left hand column.

MR. CHERNIACK: I'm trying to reconcile the two statements.

MR. CRAIK: Right. So this year's shows \$27,835 ,000 on Other Loans (f).

MR. CHERNIACK: Yes.

MR. CRAIK: And \$10,062 ,000 on (g) Sinking Fund Investments for a total of \$38 roughly million. And you're saying that this year it is roughly \$31 million on the right side . . .

MR. CHERNIACK: It looks like that to me.

MR. CRAIK: And you think that's where the difference is?

MR. CHERNIACK: Well, I'm guessing that's where the difference is but it seems to be split between two, between (f) and (g).

MR. CRAIK: Well as long as it's declared in that reconciliation box, which it is, it hasn't really disappeared anywhere.

MR. CHERNIACK: I didn't suggest it was. I want to know how the accounting was done to bring that about.

MR. CRAIK: Well, we know it's there. There's no use us trying to explain it. I think here we can get you — okay, (g) is plus 10, (f) is minus 3.7 and the net is 6.3.

MR. CHERNIACK: Now, that's a little too fast for me.

MR. CRAIK(g) is plus \$10,062 ,000, (f) is minus \$3,762 ,000.00.

MR. CHERNIACK: Good. Now we have the arithmetic. Could you please explain what you did here? I mean, why are those journal entries? How did they come about that way?

MR. CRAIK: I gather the rationale behind it is the same as the auditor has presented presented on the sinking funds. It should not actually be shown as a reveue, and it's the same way he's rationalized that the sinking fund should not be shown as an expenditure.

MR. CHERNIACK: I understand that. This is not unrelated to the ongoing disagreement that we had with the present First Minister when he was in opposition and was showing a big per capita debt where he included the self-liquidating with the dead weight. I believ he ignored the sinking fund moneys and gradually I think the present government is falling into what I think is a more correct picture of what is the debt by attributing sinking funds and other assets of that kind as a reduction of gross liability on public debt, which is in accord with what we said ought to be done and the way it ought to be looked at; now it is being done that way so it will not only be done but be seen to be done. I'm not quarreling with what's being done. As a matter of fact I'm sorry we didn't do it, that would have prevented a lot of argument that we had when the positions were reversed.

Now what you are saying is that the moneys that are being put aside in the sinking fund for retirement of debt in the future, should be used to reduce the amount shown that's owing. Even though it is owing the money is there with which to pay part of it so that we don't owe all of it as a debt. ut really, although we owe a part of it, all of it is a debt, we still have money with which we could pay it. And if for some reason all our creditors were able to claim their money right away, we wouldn't have to pay them the total amount showing as owing because we have certain moneys set aside.

Then the next step that you're saying is that since this money that has been set aside to repay capital debt is earning money, then the money it's earning should be attributed in further reduction

of capital debt, and that makes sense to me. The problem that I had and still have, I guess, is that although the revenue is shown on the revenue side as \$6.3 million, the amounts shown in the current Estimate page on the left hand side is \$10,062,000.00. I would have expected it to be \$6.3 million. But now I'm beginning to think that maybe there was actually a \$10 million earning on sinking fund investments rather than the estimated \$6.3 million. And maybe that's why it's being split that way. But I want to know if that's the case.

MR. CRAIK: Your first question as to whether it would influence the total debt picture or not, I would think that it's pretty clear that doesn't have very significant influence. You made reference to the First Minister making an issue over the Public Debt. I notice in the last Moody's report that they report the provincial debt — they refer to it as being 3 billion, 900 and some million. Now the 6 million your're talking about here or the \$20 million that was contributed into sinking funds last year is not going to have a very large impact on that figure. Whether or not the total amounts in the sinking funds to date have is another matter. I would think probably they do not have a large impact on that total figure; that we can get. With regards to where the six . . . on your last question, we may be able to get you a specific answer on that.

MR. CHERNIACK: Mr. Chairman, at this forum I am not going to go into the entire question of the two political sides and points of view. There is no doubt that there was substantial debate in the past and I guess there will be in the future. But I want to at this stage have an understanding of it because it seems to me that these changes both last year's and this year's, even though \$6 million is a small amount compared to the total gross debt which includes the Hydro and the telephones, and the rest of it, may not be that much, it is a much more significant part of the dead weight debt. But in any event, this exercise with which I do not disagree, nevertheless is going to immediately show a reduction in per capita debt, or gross debt, or whatever you want, and I want to know exactly how it came about so that the next time somebody — I don't know who, but somebody says look how much we reduced, or how little or to what smaller extent we have increased the gross debt, that it is known that part of that explanation is related to adjustments that were made with which I do not agree but were not any special kind of savings. Now, that's bluntly what I'm getting at. I want it on record and I want to be able to refer to it if the case arises, and I am quite prepared to wait until tomorrow to get that explanation, although I would have hoped that were available now.

But I come back to saying that had sinking fund investments shown in the present Estimate sheet as \$6.3 million, there wouldn't be the slightest doubt in my mind that I understood what it was, and there it was. But since it shows \$10 million, I am confused, Mr. Chairman, I'm not supposed to be able to understand financing treatment of this kind, so I would like an explanation, and I don't insist on it right now, tomorrow is . . .

MR. CRAIK: We'll undertake to get that for you.

MR. CHERNIACK: Well then, Mr. Chairman, on that basis, I want to point out to the minister I have a list of eight matters which the minister had undertaken to have the answers on, in addition to those matters which this evening he undertook to give answers to, and I think it would be provident and sensible for us to leave this over for tomorrow, and since I think probably of all departments of government, the Finance Department is most accustomed to burning midnight oil, we should give them the time they need so that tomorrow they can have the answers to all of the questions, some of which I haven't even noted will need Hansard to remind me of it.

MR. CRAIK: Mr. Chairman, I am sure there are other questions, and while that's being dealt with, I will review the answers to some of the questions that were asked here last night, or night before last.

MR. CHERNIACK: Inasmuch as we're going to have to deal with this tomorrow, then what's the point of continuing at 11:15 at night? I am not proposing a motion that committee rise yet, and I am not too tired, but what's the sense to it, Mr. Chairman? We're going to have to spend tomorrow on this, or part of tomorrow.

MR. CRAIK: I'm game to carry on, Mr. Chairman, if anybody else wants to.

MR. CHERNIACK: Mr. Chairman, I'm really not game to carry on. I don't see the point to it because it's 11:15 and we can't finish today, so I'll move committee rise.

QUESTION put, MOTION defeated.

MR. CHAIRMAN: We are on Minister's Compensation 1.(a) — the Honourable Member for Seven Oaks.

MR. SAUL A. MILLER: I'm doing this only because I think the position taken by government really is unnecessary, so I'll move that the Minister's Compensation be reduced to \$1.00, which is a motion that has to be before the House.

MR. CHAIRMAN: It's not a motion that can be accepted by the Chair after 10:00 o'clock.

MR. JORGENSON: I believe it can't be voted on.

MR. CHAIRMAN: We have a motion?

MR. MILLER: That's right. I have a motion, and the only reason for it, as I say is committee should rise and. . .

MR. CRAIK: You don't have to apologize for it; go ahead and make it.

MR. CHAIRMAN: The motion is recorded.

MR. MILLER: Okay, fine.

MR. CHAIRMAN: We are on 1.(a) Minister's Compensation — pass — the Honourable Member for Seven Oaks.

MR. MILLER: As I understand it, it can't be voted on. If it can't be voted on, how can this committee continue to sit until its voted and dealt with?

MR. CHAIRMAN: The committee can continue to debate on the Minister's Salary.

MR. MILLER: And when does that all take place?

MR. CHAIRMAN: The vote will have to take place in committee before 10:00 o'clock.

MR. CHERNIACK: Yes, tomorrow.

MR. CHAIRMAN: Tomorrow, that's right. The Honourable Member for St. James.

MR. GEORGE MINAKER: I wonder, Mr. Chairman, if you might explain Rule No. 11 on Page 33 that says: "Motion for Adjournment. Where the Committee of Supply sits after 10:00 p.m. and after the Committee rises, any motion, except the motion to adjourn the House is out of order." How does that apply?

MR. DEPUTY CHAIRMAN: Where the committee is sitting in the House after 10:00 o'clock; this is where it applies. We're still in committee out of the House.

MR. DEPUTY CHAIRMAN: The debate on the motion is completely in order. If you care to debate the motion — the Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I'm not sure that I was non-supportive of a motion to reduce the salary to one dollar. I really would be ore inclined to zero in on tbe amount of revenue which this minister has offered to rebate in the one case we've discussed this evening, which is on \$7,000, and I think I would like to charge him with the \$7,000 rather than his full salary because he works and he does other work. But I am just wondering, Mr. Chairman, just what is the purpose of continuing this meeting for any further period , and presumably a very lengthy period because there are a number of items to be discussed. Is it a question where there is an opportunity to see who has the mental and physical strength to stand up to an all night meeting? Is that the kind of consideration that the members of this committee want to give? It's not as if we've spent that much time on Finance. It's not as if we've spent that much time in Estimates generally. It's not as if we're running into the spring season where everybody wants to rush out and do all that kind of work. It's almost as if there is some whip that is being applied for no understandable purpose. Now, it does not necessarily redound to the benefit of the government to force us to stay here late. I don't

know, maybe the taxpayers will say, "Good, they are burning midnight oil and they are working hard." What is the point to all this? Is it really to see who has the strength to withstand it; are members of the Conservative Caucus here in order to nod appreciatively to the minister's desire to continue to sit? I don't see the point to it and I would like to suggest that it would be sensible for the committee to rise now. If, however, you want to go on, we can debate the Minister's Salary and the justification for it maybe even on the basis of his desire for us to continue to sit. So may I direct a question to him? Is it his expectation that we will finish the Salary before this committee adjourns.

MR. CRAIK: Mr. Chairman, that's not up to me to decide. I simply suggest to you that we could keep on going. You're on the major item where you can do your sum ups if you have got more things that you want to do, you can do them. We'll get you the answers that we've undertaken to give you. Whether or not those come back under the Salary or not, I don't think has ever been a criteria of whether or not the committee should not be adjourned or finished. As long as the undertakings that we've given you are delivered, that's the important item. If we don't provide them to you, of course you always have the opportunity on other items to come back to it on the concurrence motion or otherwise.

MR. CHERNIACK: The minister has undertaken to provide us with information. That information could not possibly be available tonight. If the minister is suggesting that we ought to complete the Department and pass his Salary without getting the answers, then he is effectively denying us the opportunity to explore and debate those questions which he has undertaken to respond to. He says there are other opportunities, he may not . . . I don't remember the rules that well, but I don't even remember that we still have concurrence motions and certainly we don't have concurrence debates. And the only opportunity . . . one motion, but the debate in the House, there's no information given and responses given at all if in committee, so that it would be no other opportunity I can think of where the answers to the questions that have yet to be provided can be discussed except under this department. So I don't see how we could possibly say that we have done justice to this department if we complete the department without having had answers to the questions which the minister volunteered to give us. Had he refused to give those answers, then we say, "All right, we're not going to get them." But he hasn't refused to give the answers, he has undertaken to. The answers will be . . .

MR. DEPUTY CHAIRMAN: The Honourable Minister of Physical Recreation and Sports.

HON. ROBERT (Bob) BANMAN(La Verendrye): Mr. Chairman, on a Point of Order. Are we dealing with a motion at this present time or is there a motion on the floor?

MR. DEPUTY CHAIRMAN: We are debating the motion. The motion that the Minister's Salary be reduced to \$1.00.

MR. CHERNIACK: It's still a motion.

MR. BANMAN: Okay, good, I was just wondering.

MR. CHERNIACK: But really, Mr. Chairman, isn't it the same motion? Either we're dealing with the Minister's Compensation of \$15,600, which is the amount shown under item 1.(a) or we're dealing with the motion to reduce it to \$1.00 which is still the Minister's Salary, and really what we're doing now, I believe, is wasting time or prolonging the day in order to determine whether it is the intention of the Conservative Government Caucus to attempt to complete this department without getting the answers to the questions which were promised to us. And I frankly don't see the point at twenty-five after 11:00, to be forced to continue to sit here to see if we could be worn down rather than come back tomorrow and complete the department; that's all that's left is Salary. And I would invite the Honourable Minister of Fitness to think about his responsibility to the people of Manitoba of whom we are a part, to consider how the fitness of the people involved in serving the taxpayer will be best served at twenty-five after 11:00 and thereafter.

MR. BANMAN: Is the final item . . . Fitness and Recreation.

MR. CHERNIACK: Good point.

MR. DEPUTY CHAIRMAN: The Chair recognizes the Honourable Minister.

MR. CRAIK: Mr. Chairman, never before in any committee has there been any undertaking to provide all of the answers to all of the questions within the period that the committee sits. There has been an undertaking to provide answers; the answers have been provided and the answers will be provided. But the argument that they have to be provided during the period which the committee sits, is a very spurious argument and doesn't even apply.

MR. DEPUTY CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: Well, Mr. Chairman, speaking to the motion that is on the floor, I am quite surprised that the Honourable Member for Seven Oaks would make such a serious motion, because my five years in the Legislature, which isn't that long, any time that we have ever seen a motion of that type put forward was when they felt that the minister responsible for that particular portfolio was not doing an adequate job.

I would think that the Honourable Member for Seven Oaks would have, I think, a very difficult job in debating or arguing that a minister that's taking over a portfolio has kept the cost or the budget in his first year as Minister of Finance to a 3 percent growth, when the rest of Canada was spending in each province much higher increases than that, and in this year retaining the same control in keeping the growth to some 5 and a few decimal points percent and providing a good job in my opinion, and I believe in the opinion of many of the people of Manitoba, that I really can't understand why the Honourable Member for Seven Oaks would put forward such a serious motion, to reduce the Minister's Salary to \$1, because I don't believe it's justified.

MR. CHAIRMAN: The Honourable Member for St. Vital.

MR. WALDING: Yes, Mr. Chairman, I want to speak to the same point of order that was raised by the Minister of Fitness and Sport. Although when we're in committee, the Chairman calls 1(a)—pass; 1(b)—pass; et cetera — I believe that the proper motion is, "Shall this item be approved and adopted?" That being the case, the motion made by the Member for Seven Oaks then becomes an amendment to that. Can I ask for your ruling, whether the motion is in fact an amendment?

MR. CHAIRMAN: No, I didn't rule it as an amendment, I ruled it as a motion. I stand corrected. It is an amendment to the motion.

MR. WALDING: Thank you, Mr. Chairman, if I might then continue, it would seem that if the minister or the members of the government wanted to keep the committee here tonight to conclude this department, they will not be able to do so by means of this particular amendment, that once this amendment is dealt with, we still before the committee item 1(a), which is the Minister's Compensation, which will then need to be voted upon separately. Since the vote on this amendment, which has been moved by the Member for Seven Oaks, cannot be dealt with tonight, it would seem that as soon as you call for the vote and members vote against it, we would then have to adjourn until it can be voted upon in the House tomorrow and dealt with as an amendment. Then, what will be before this committee is item 1(a) the Minister's Compensation. If that is not the case, I would like you to explain why, Mr. Chairman.

MR. CHAIRMAN: The honourable minister.

MR. CRAIK: Let's just let the record stand that the members of the opposition didn't come to work, we could have done another half hour's work here tonight, and . . . **R. WALDING:** I'm waiting for your ruling, Mr. cchairman.

MR. CHAIRMAN: To the Member for St. Vital, we cannot vote on the amendment this evening, not until tomorrow. After we vote on the amendment, we would move to the next order of business. As there are no other orders of business, except the Minister's Salary, we cannot carry on. The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I want to make clear that those of us on this side of the room prepared our work to the extent where we had substantial questions. —(Interjection)— Well, I will include that the Minister of Fitness did his work I don't believe he didn't do any work, but I want to say that we came, and we asked considerable questions, we explored almost every resolution to which the minister did not have answers in a large number of cases. I've indicated that I have

a page full of answers, not only that he didn't have, but which he undertook to answer; so that it's not a question of who came prepared to work, it's a question of who came prepared to answer questions. The minister did not, and he did not fault him for not having all the answers. I for one, and other members were quite prepared to understand that the answers could come tomorrow, but for him to make this "cute" remark, that members of the opposition were not ready, let me tell him, "We were absolute ready, moreso than he, we had the questions, he didn't have the answers, we are prepared to give him the time to bring in the answers, and as part of the childishness that he is showing, to be able to say to the press — "Let the record show." Mr. Chairman, let the record show that there are substantial questions, both unanswered and unable to be answered today; and let the record show that it is now after 11:30, and it is foolish to try to force people to work beyond that time, because of no reason other than the minister's peak or the minister's desire to continue to sit. If he had answers, it would be helpful.

MR. CHAIRMAN: The Honourable Member for Seven Oaks debating the amendment.

MR. MILLER: Thank you, Mr. Chairman. Thanks for the floor, I've been trying to get it for some time. The amendment, when I made it, I indicated the reason why. My colleague tells me that there are questions asked, not last night, the night before last; also, the result of debate this evening. Questions which are not just some figures that the minister hasn't got and we don't expect him to have, and could be given to a member either privately or distributed to all committee members, a day or a week after the Estimates are finished, which is quite in order. But rather, there are answers of significance, which are felt should be on the record, and which would not be on the record if just simply handed out and distributed by memo and it was that reason that I suggested this amendment. The fact that the minister works hard, I don't deny it and if I had perhaps thought for a moment, I would have suggested his salary be reduced by 99 cents or some ridiculous thing like that. I did it simply as a fact, because frankly I don't like being pushed around. I've never pushed anyone else around, and I don't like being the recipient of that kind of treatment. We have to come back tomorrow, I'm sure the answers will be available tomorrow. They can be on the records, so they can be read by all members of the committee, now, next year, and forever after, because they will be in Hansard. And, I think that is the best way to handle these things. If it was simply a matter of getting some facts and figures, which has happened in my case in the various portfolios I have held, and members have said they are in no rush for them, they get them in due course and it doesn't matter. But when there are answers, which may require an immediate response or further questioning, then they should be on the record and people should have an opportunity to respond to the questions and in any case, to have them on the record for future debate.

MR. CRAIK: Well, Mr. Chairman, let me just say that the arguments presented by the Member for Seven Oaks are rational as his arguments usually are. I want to repeat that it's quite usual for questions to be taken, particularly when they involve numbers and those sorts of things to be brought back at a later date — not necessarily within the same time period that the Estimates are under examination for that particular department. And, I want to tell you that they will be brought back, it is perhaps a good time to quit, simply because we probably have to. If I get a little thin-skinned, it's mainly because there are some members opposite that I must say, get under my skin very easily and that doesn't include the Member for Seven Oaks, but the despise I hold for some others is unlimited.

MR. CHAIRMAN: The Member for St. Vital.

MR. WALDING: Yes, Mr. Chairman, I just wanted to say a few words on this particular amendment. I wouldn't have been inclined to vote for a reduction in the Minister's Salary, because I know he works hard. Also, I wouldn't want it to reflect on his staff, who I know are very loyal and hard-working, and don't deserve to hear a motion like this going through. But I was most disappointed this evening, Mr. Chairman, in the personal attacks that the minister made, unprovoked personal attacks I believe, on two of my colleagues. The language that he used in the committee was, I believe, not what would be expected of a minister of the Crown; and I would hope that language and tactics of that type would not serve as a model or as an example for his colleagues in the back row.

MR. MILLER: In light of the comments made by the minister, and the fact that committee will rise, I would like to withdraw my motion, which was made for only one reason, and if the seconder will release me, I will move that that motion be withdrawn.

MR. CHAIRMAN: Do I have leave of the committee to allow the amendment to be withdrawn?

agreed)
Committee rise.

SUPPLY — HEALTH AND COMMUNITY SERVICES

MR. CHAIRMAN: I would draw to the attention of the honourable members that we are on Page 46 of the Main Estimates, Health and Community Services. Resolution 62, 1. Executive Function (2) Salaries—pass — the Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Chairman. One of the things that I am always interested in in this committee is the way that you find out the truth by small incidents and I think there was no more revealing event that has taken place in a long time as took place this afternoon when the Honourable Member for St. Boniface revealed a letter that he had received from a Federal Member of Parliament. Mr. Chairman, I think it should be of some concern to the Minister of Health and Social Development that one of his colleagues, a gentleman who shares his philosophy, his Party, his outlook, and presumably his acquaintanceship, felt so indignant and concerned about what was happening in the field of health in the Province of Manitoba that he had to write to a Member of the Opposition in order to get some attention. It may be, Mr. Chairman, that that is the most revealing piece of evidence about the management style and administrative style of this government than anything that all of the rest of us combined could say, because it really points out that a fellow Conservative, a gentleman who is certainly no friend to, I'm sure, the Member for St. Boniface, perhaps in a personal way but certainly not in a political way, felt that his only access, his only entree to getting his opinions heard was to write to a Member of the Opposition. I think, Mr. Chairman, that is really illustrative of one of the points that I wanted to raise with the Minister, really, in opening a discussion of his Estimates.

He should be particularly concerned about the management of his department. I say that because I know that is one of the areas where this present government has tried to take some pride in itself. It said that they are the managers and we had to get rid of the other guys because they were all just fooling around too much; they were experimenting too much. This was going to be the new management society in Manitoba, hard, evaluative, calculating, efficient distribution and allocation of funds and resources. And yet, Mr. Chairman, obviously one of the criteria by which you would measure any management style is its sensitivity and responsiveness to the clientele in the community with which it deals. There is no point in having this management machine if it simply has no touch or contact with the larger community so that it is able to make some response. If I had to develop a very quick argument, a quick set of suggestions to the Minister, and I intend to be highly constructive this evening, not particularly critical, I would think the first step he should take is probably subdivide his department into about 10 divisions because obviously it is simply too big for him to handle.

It is quite clear that too many things are going on in too many directions so that neither he nor his chief administrative staff have the foggiest notion of what is taking place. Because if they did know what was going on, they wouldn't be making the choices that they do, nor would we be finding the kinds of frustrations taking place in the different client groups and agency groups and respondents, if there would be more time for them to spend at least developing the rudimentary elements of consultation and discussion and evaluation. We saw an example in this House today, Mr. Chairman, where a report, a very important report on accidents and accident injuries that was prepared by the Department of Health and Social Development, a glossy, 120-page assessment of the critical impact that accidents and injuries have in this province and how it is a major cause of increases in health cost and care, hasn't even yet been seen by the Minister. Maybe it is just taking too long to wind its way up the labyrinth Byzantine channels that he conducts. Yet we are supposed to be debating his Estimates, concerning ourselves with matters of cost and yet we don't have access to a very important document to tell us what those costs are and some of the causes. And here is the Minister himself making fairly grandiose statements about his management of the department and why we are cutting back on health clinics and cutting back on personal care areas and cutting back on work activity projects because we're having to sort of distribute funds or allocate funds into health institutions, and yet he isn't even aware, or doesn't appear to be aware, that his own department is coming up with some direct recommendations that could eliminate the cause of some of those excessive costs.

That, Mr. Chairman, is a management problem. It is a serious management problem in the department, that if in fact you can't even get the necessary information out or into the right hands, then how can you make the proper decisions? I think anybody who has taken any elementary courses in management would know that information is the chief product of any manager.

Let me give you another example, Mr. Chairman, about the great debate on community health

clinics. The Minister was quoted as saying that he was philosophically opposed. Well, Mr. Chairman, that is not a particularly good position for a manager to take. It may be all right for an ideologue to take, but if you are talking about management, your concern should be not whether I personally happen to agree or not, but where do I get the best effort for the dollar I am spending, the best . . . for the buck? How do I get the best delivery of services for the money that I am going to spend? That should be the criteria which he opposes. I'm not saying that the Minister has to be a total eunuch when it comes at least to politics, but it does mean that if he is going to elevate management to the sacred standard of being the bell-wether of this government, then he should be saying, okay, I'm prepared to perhaps suppress some of my own personal biases and look at the management question. Are these clinics delivering a necessary service in a relatively effective way?

Well, the question I would raise, Mr. Chairman, with members of this committee is that neither we nor the Minister knows in fact if they are delivering the service in an effective way, because the kinds of evaluation was, in the jargon of the trade, simply a quick and dirty evaluation.

It didn't do in any way a kind of comprehensive evaluation, looking at the activities being performed by those health clinics and determining how they provide a service to the community in a number of ways, in terms of prevention, dealing with nutritional problems, dealing with child-care problems. He simply can't measure it by taking, you know, number of client hours and seeing how many times one client saw one doctor. That is a highly restricted accountancy way of dealing with the problem. And the kind of evaluation that was done on health clinics, first, lacked any degree of assessment of the full impact of community health clinics, secondly, it did not involve in any way the members of those clinics other than to ask them for some basic information. It involved no evaluation done about the recipients of those services. The people who actually used those services were not asked how they responded to it, and yet now we have the Minister coming back and saying maybe they're not good enough.

Well, Mr. Chairman, I don't want to provide a lesson on how to do evaluations, because the Minister has his own experts to do that. But I would just simply say, from a cursory glance at the way in which this whole basic assessment was conducted, it was really bad management. And it's understandable why it is bad management, because when you begin to take a look at the assessments of this part of the department you find out that the vital areas in which proper management can be conducted are being cut back. How do you go about managing health services when you are cutting back the Program Review Evaluation teams back to the bare bones? How do you go about doing an evaluation when the Department of Statistics is being substantially cut back and many of its services no longer being provided?

In other words, if you in fact are limiting the investment that you're making in management services, financial services, personnel services, you're simply limiting and restricting the capacity to do the job. And if you look at this year's assessments you see that those are where the cuts are. \$20,000 here, \$30,000 here, \$40,000 here, and furthermore when you go back to some of the figures and look at the staff man years, which is the gobbledy-goop we always like to play around with in these Estimates, we find out that there is always this kind of comparison between staff man years, but we don't know whether they're being filled or not being filled, or how many vacancies there are, because the other kind of management miscue that's taking place is that while there may be positions there, there are no bodies to fill them.

And again I would suggest, Mr. Chairman, that looking at this aspect of the Minister's salary, I can't accept this is particularly good management.

So I would say that one of the first kinds of questions that we really have to pose to this Minister is that he has to really convince us all over again that this is what this government really wants to do, that they really are interested in management and not just in their own personal biases, vendettas and ideological paper-hanging that they oftentimes get into.

Then he raised another issue that is related to that, Mr. Chairman, and that is what I consider to be a very serious trend that is implicitly being floated through the decisions of this department, and are just now beginning to surface in some kind of overall pattern, and it is this: That this department and this Minister, and this government can quite clearly be seen to be returning to the old days of institutional health and social care. Put 'em in, lock 'em up and forget 'em seems to be the motive that we're getting into, which begins to run counter to, I think, modern contemporary assessment of what is the best kind of therapy and rehabilitation that can be applied. And I think also runs counter, fundamentally, to his own financial measurements.

I don't think you do cost-saving simply by putting up a new big building and putting big doors on it and making sure that that's where people have to go, that you're providing a real service. Because all you are simply doing is condemning a lot of people to a lifetime of dependency, rather than to any opportunity to get themselves out of a situation which may be disadvantaged or which is a cost upon the community.

We're saying this very clearly in the area of Corrections. You know, there seems to be this kind of order mentality which assumes that somehow, by locking them up and getting more of them locked up and, as the Minister himself has said, we've had — what is it, three times, five times the number of residents of jails in the province than we had five years ago. I forget, but it was some astronomical number that he — twice the number, I'm sorry, twice the number — the last five years. That is not anything to take any pride in. It just simply shows a tremendous failure of us being able to provide alternative care, treatment facilities, and programs in this province and it also demonstrates, Mr. Chairman, what I think is even a more serious omission and that is that the Minister and this government are hurting their best friends, that they quite honestly, I believe, have asserted their belief in the right of volunteer activities, private agencies to get away from extended government bureaucracy and State controlled organizations and yet, interestingly enough, the exact reverse is beginning to take place under the jurisdiction of this department, that we're not moving towards a broader network of treatment facilities and rehabilitative facilities, operated by people who can provide alternative answers. What he's really doing is really pulling things back and sort of saying, "We've got to put the controls on. We're going to be the masters of this whole operation." So that rather than moving towards a greater privatization in the Social field and the Health field, we're moving more to an institutionalization, a more State controlled, sort of Bureaucratically dominated kind of network of treatment facilities.

And, you know, Mr. Chairman, that's confusing. I mean I've listened to so many speeches in this House for the past two years, their election campaigns, and I thought that maybe we were going to find some new ways of dealing with these problems. I mean I'm not of the opinion that everything that was done in the past was the best way, and that certainly a lot of mistakes were made and I think even the Member for St. Boniface, the former Minister, would admit that we were looking around for answers. We'd spent a lot of time in this Committee and in the House hanging things around, and I thought maybe when this Minister made his declaration of principles in the Estimates last year I said, "Hey, there's some things to that that ring true with me. I mean I like some of the things he's saying." But as soon as he said them he sort of turned tail and began going the other way, and I don't know why. I mean he hasn't given us a reason why. Maybe part of the problem that we're running into is that we're just ad hocing our way through a lot of the problems because he is so completely dominated by that First Minister whose only objective in life is the bottom right-hand corner of the Account sheet. He sees no other value, no other principle, no other criteria to measure programs, that he therefore has to say, "Hey, Boss, I've done it again. I've saved 50 cents on the bologna this week," you know in the Mental Hospital or whatever it may be — yes, the sheets or the kleenex, or whatever it is.

I've got to tell you, Mr. Chairman, I'm almost afraid to go to a hospital these days. I broke my ankle before Christmas and I walked in and I couldn't get my ankle fixed because so many people were coming and telling me what was wrong, you know, how they've sort of taken away this and taken away that, that I had to remind them that I was there for a reason. I'm not blaming them, it was just that they were so anxious to tell somebody what the Hell was going on in their hospital. —(Interjection)— I mean, Mr. Chairman, the Leader of the Opposition doesn't have to go and provide his menus of bologna; I mean he could have looked at my ankle as prime evidence of some of the victims of restraint that's going on in the province. It took me two hours to get through sort of a simple cast formation, but the problem is — it really comes down to this — is that they've lost all sense of what's the purpose of this department? What are they trying to do here? We get these caustic remarks from the Treasury Bench, from the First Minister, saying, oh, there's nothing but a social engineer, and that somehow he thinks that we should feel guilty because we may have a social conscience. Well, Mr. Chairman, I think the Minister has a social conscience, but he obviously has to suppress it in those cabinet rooms, and he has to sort of act more like an accountant rather than the Minister of Health and Social Development. As a result, he's making bad decisions on those criteria, because I think what we can prove, and we will prove during these Estimates, is that in the pell-mell rush for short term accounting gains, he in fact is going to cost the people of Manitoba far more money, and he is going to create far more expensive approaches to these problems, than anything that was done before.

You know, it costs \$25,000 to keep a guy locked up in Headingley for one year. And if you're making no effort to try to deal with young people who are in problems as juveniles, so they don't have to spend the rest of their life in incarceration, and invest some money now in that kind of program, then you're going to save yourself an awful lot of money down the road. We're trading short term gains for long term losses, that's what we're doing. And Mr. Chairman, again I want to say that that is not good management, no matter how you sell it. I don't think the people of Manitoba are going to be very grateful for those kind of decisions. And it becomes, in fact, a kind of almost circular merry-go-round that you can't get off because if you begin to cut back on the forensic services, the treatment services, and the group homes and the care homes, and your only

alternative is to tell the judges that you're going to have to put them up to adult court, which means they have to go off to Headingley, and I can tell you they're not going to get much rehabilitation or alternatives in Headingley Jail, I mean they're lucky enough to find a place to stand up with some breathing room, let alone get anything else . . .

A MEMBER: No room at the inn there, no room at the inn.

MR. AXWORTHY: hen the next demand is going to be, as it has been unfortunately here, is build more jails. Well, you know, once we start making those demands, that's an admission of defeat. It shows that the system has broken down, that the only way you can deal with young kids with problems is to ultimately have to build more places to simply contain them. Then we really have to admit defeat that the imaginative, creative capacities of this community have been eroded and wiped out, and we can no longer find the ways of dealing properly with those kinds of problems. And that's going to be a very costly enterprise, believe me. And I think every God-fearing Conservative on the opposite side who loves to, —(Interjection)— well, I assume that they're Godfearing, or Lyon-fearing, whatever they may be . . .

A MEMBER: Lyon-fearing.

MR. AXWORTHY: Lyon-fearing — that's "Fear to tread in the Lyon's den", I guess, is the new motto of members opposite. Simply this: that they are going to have to find, sort of, the ultimate down the road, that they are going to be the big spenders. That they're going to be forced into that kind of commitment simply to try to keep things together, rather than investing money where they are now.

Finally, Mr. Chairman, let me deal with one other matter in the time remaining to me in this first crack at the bat. It comes down to the financing of health care. I'm very disturbed about one thing the Minister keeps saying. He, in the Throne Speech in his announcements, took some pride in the fact that he said, well, what are you all complaining about. We did increase the expenditure six percent this year. Gave some kind of a global budge and said, now look it, by comparison that should be good enough. I mean, by comparison with what they're getting in universities or something, maybe that's more. It may be an elusive concept to nail down, but I find it a very funny way of determining whether you are doing the job properly by saying, well we have increased 6 percent this year over last year, that somehow we assumed that the standard last year was good enough and that 6 percent this year is going to keep up with things.

Well I find that a very strange kind of measurement to me. What I really would like to be asking the Minister is, for example, what proportion of expenditures on health and social care relate to overall financial indicators in the community. I would refer him, for example, to the latest study done by the Economic Council on health care costs in Canada. Which point out that beginning 1976 the commitment to health care costs as a proportion of the gross national product, in fact, has begun to go down. That it was 7.1 in 1975 and 6.8 in 1976 and that is a downward trend.

So while we're sort of beating our breasts about how we're maybe spending too much, in fact in proportion to the total wealth of the community we're beginning to spend less and less. It may be that some of these short term exigencies, of this kind of crisis mentality about expenditures that we've got into, maybe should be measured in a slightly different way. It should be measured in terms of the proportion of health care costs and social care costs as compared to total wealth that has been growing in the community. The fact that, as the Economic Council also reported at the same time, that salaries in the same period had gone up 50 percent.

So if we are saying that we are trying to keep some measure of progress and some measure of improvement in health care then we should be measuring them against those indicators, not simply by some bald number saying 6 percent somehow is good. You know that is sheer black magic. That's pulling a number out of the air, doesn't mean anything. It simply has no relevance to both the needs and demands that are being there and also to try and measure against some other kinds of indicators which are comparative by comparative measures and comparative standards.

And I would think if the Minister again wants a serious debate about his Estimates and I know he does, because I think he invites that kind of debate, it is those kind of numbers that we should be receiving. That he should be demonstrating to us that the kind of estimates that he has in front of us really are realistic in terms of the other kinds of investments that the community is making — investments in relation to highways, and investments in relation to education, investments related to private investment and construction, and to show how much we're getting out of line. Are Health Estimates really that exorbitant in comparison to other forms of expenditures. I would be interested for example, Mr. Chairman, in knowing, they throw the comparison, that is the 6 percent that we

are somehow expending here and being told that this is as much as we can do. Why don't we compare the amount of money that Manitobans spend to go south in the winter time and the increases that that's gone over for the past five years. We might find some interesting comparisons on that. Not that people shouldn't go south but I would expect, and I'm just guessing because I don't have the kind of organization that the Minister has to get those kinds of figures, but I would think that if he went back and discovered that the increases in terms of out-of-province tourist expenditures in the last five years has gone up singularly faster and more exorbitantly than anything that we've spent on health and social care.

And then we get down to some serious debate about what are the values and principles of our own community. If in fact we are prepared to say look it's an awful lot more important for a lot of people to get a suntan for a week than it is to make sure that there are proper health, social kinds of capacities, then we've got something to debate about. In fact we could even reduce those figures, maybe we wouldn't have to do a full count. All we should do, maybe, Mr. Chairman, is do a random sample of Ministers of the Crown who have gone south and how much their expenditures have gone up since they've been elected in relation to how much we've put into health care. It might be even a more interesting comparison. Or, Mr. Chairman, we could even take some of the backbenchers; I'm sure the Member for Wolseley would be prepared to offer himself as Exhibit A in that kind of comparison, unquestionably. Obviously, Mr. Chairman, we have to review the whole indignity proposition of backbenchers. So we could save the government a lot of money; we could just do a random sample of members in the Chamber at the present moment and find out what they've done for the last . . . and how much their expenditures have been. Anyway, I don't want to belabour the point.

I do want to come back to one final . . . — (Interjections) — No. Now the Minister of Economic Development is grouching because he thinks that I'm suggesting that he's going to have to stay here in the cold and frigid waste of Winnipeg. This is the Minister of Economic Development, who's trying to convince people to come to Manitoba to invest and settle, and he's saying, yeah, well, I want to get out. I'd suggest, Mr. Chairman, if there's anybody in this House who should keep quiet when we talk about getting out of the province, it's the Minister of Economic Development, because he should , not be the guy advertising why you should leave Manitoba. I would expect that his terms of reference are why you should stay here.

MR. JOHNSTON: He's sitting too close to that bird-brain.

MR. AXWORTHY I didn't know he was part of that research team, Mr. Chairman, I apologize. In any event, Mr. Chairman, I want to come to one final point dealing with the financial questions of the government. We'll have a chance to discuss the peculiar advertising efforts of the Minister of Economic Development at a later date.

On the question of finances, the Minister, in his opening remarks, made some strong allusions to the statements made by the Federal Minister of National Health and Welfare about criticizing certain provinces in their approach to the spending. — (Interjection) — In this province in particular that's right, this province in particular, but others. She was charitable; she included several other provinces in that appraisal. One of the things that has not in any way, Mr. Chairman, been elaborated by this Minister is what have been the effects of the new bloc funding arrangements? And let me just raise for suspicion, and I'm quite prepared to have that suspicion cleared up, that the bloc funding transfers from the Federal Government in the last year were substantially higher than the conditional grants that were being received before because of the transitional settlement. And I would put forward for examination this proposition that my suspicious mind leads me to, that that actual 6 percent increase that we've been told has been spent by the Provincial Government has a disproportionately high percentage of federal funds in it. And if we really look at how much the provincial government was spending in health and social development compared to what it spent before when we were doing the 50 cent dollar that we'd find out that there is less than 6 percent of provincial funds being added to the budget. Now, I'm prepared to be corrected, and I would apologize, but I suspect that if we take a look at the kind of manipulations that are going on and the way in which this budget and Estimates have been calculated, that we would find out that the way that that bloc funding has been sort of melted into the pot has allowed the provincial government to put less in than it normally would if it had been under the old 50 cent dollar arrangements where they had to do a matching arrangement on their CAP and other cost-sharing programs.

Therefore, that 6 percent , that what we're finding is the disproportionate amount, as compared to two years ago, is coming out of the Federal transfers. And Mr. Chairman, I expect that, with some figures that we have, we'll be able to provide some interesting examination of that proposition as we further get into the Minister's Estimates. So those, Mr. Chairman, are the opening comments that I would have about this particular department. Obviously there are many other areas that deserve

examination, and I'm sure that in the months and weeks ahead members of this committee will have the opportunity. But we simply want to conclude by saying . . .

MR. CHAIRMAN: The Honourable Member has one minute.

MR. AXWORTHY: Thank you, Mr. Chairman, that's what you call good timing. That's what you get for being a university lecturer. You just know the last minute.

My summation, then, would be simply this, Mr. Chairman, that I would assert that the strongest criticism that can be made at this time is that this government is not following its own standards, and in fact is not providing us with the efficiency of program that's suggested as its main goal and objective. And that in fact, what we are going to see increasingly is that as they have to cut out not fat but services that we're going to begin paying a very heavy price as the years unfold because those services are going to get more expensive because more people are going to need them.

MR. CHAIRMAN: The Honourable Member for Flin Flon.

MR. McBRIDE: Try The Pas, Mr. Chairman, don't embarrass me by calling me the Member for Flin Flon.

MR. CHAIRMAN: I beg your pardon. The Honourable Member for The Pas. I should have known because I remember when the Honourable Member for Flin Flon got pretty worked up the other day.

MR. McBRIDE: Mr. Chairman, I'll bypass the opportunity to comment on that situation and go directly into the situation of the department we are dealing with, and the executive function thereof. r. Chairman, I would like to talk about, in that executive function, the leadership thereof lack of leadership that appears in the executive and the section of the department that is to provide leadership to the department, and the values and principles of the leadership of this particular department.

Now, Mr. Chairman, I think that the people of Manitoba and the people of Canada are certainly in a situation where we are not clear, or we are not in agreement and we are all not clear in terms of what are the values, what are the social purposes, what kind of thing should a department of this nature reflect about the society we want and the society we live in. So there is some lack of clarity in that.

And Mr. Chairman, certainly during the last provincial election campaign there was a general feeling of frustration, and there has been a general feeling of frustration across Canada, and what the Conservative Party did at that time was to say to people that well, the problem is, the reason you're frustrated is because we have an NDP government, and of course if you elect a Conservative government, then that kind of frustration will disappear. And the way they approached that, Mr. Chairman, was to say that there would be no reduction in programs, that the programs would continue, the programs would carry on, but that there would be a cut in fat.

Well, Mr. Speaker, we have gone far beyond that situation that the present government and that the leader of this department would call the reduction in fat, Mr. Chairman. We have gone far beyond that. And what we have now, Mr. Chairman, in this department, is basically the department in this government that's designed to pick up the pieces. This is the "pick up the pieces," department of the Conservative government of Manitoba. And Mr. Chairman, what I mean by that, is that because of the philosophy, because of the philosophical orientation imposed upon all members opposite by the First Minister of this province, because of the rigid adherence to the philosophy that somehow the marketplace will take care of things and there may be a few people fall by the wayside and this department will pick up those pieces. And that is the philosophical, the approach, the values or principles that, from what I can tell by looking at these Estimates and listening to the Minister and listening to his colleagues in government, that is the values and principles from which they are operating, Mr. Chairman.

So basically, we have what I would call and what my colleagues have called and what I called before, a welfare government. That is, a government that will not intervene, will not cause positive action, will not do things to assist the people in the province of Manitoba, until things have got so bad that they can pick up the pieces, or that they can put the people on welfare, or as the Member for Fort Rouge says, lock them away in an institution. That's the way this government is functioning and that's what we see going on in the Province of Manitoba at this time, Mr. Chairman.

And I think, Mr. Chairman, one example of that situation brought out statistically was the study

that was done earlier or late last year in the community of Thompson. Now, Mr. Chairman, in the community of Thompson the study found out what we had suspected all along but didn't have the evidence to continually demonstrate with the evidence to the present government. But things that we had been saying all along were clearly demonstrated in that study that was done. And that is that the cuts in the City of Thompson, both by Inco and the Government of Manitoba, not only had an economic impact but they had a social impact on that community.

Mr. Chairman, for example a few of the figures, the welfare expenditure shot up by 45 percent. The unemployment insurance payouts increased 82 percent, 100 percent when adjusted, with less than 6 percent of this increase related to higher weekly payouts. Criminal Code of Canada offences went up 27 percent, 29 percent when adjusted. Whereas in the rest of the province the same type of offences dropped by 6.5 percent. Non-Criminal Code offences increased 30 percent, 43 percent when adjusted. The research team also found a significant increase in child abuse cases and children taken into care by child and family services. Hospital admissions for persons suffering from depressions went up and there was a greater use of the mental health division by the northern region. The City Welfare, the Women's Crisis Centre, the Community Legal Services informed the researchers that marital problems and family breakdowns are on the increase.

So, Mr. Chairman, those are the types of figures that were gathered in the City of Thompson. Mr. Chairman, the Minister will have to take the word of those of us who visit the remote communities in northern Manitoba and are in continual contact with the remote communities in northern Manitoba that the situation is even worse in the remote communities. And, Mr. Chairman, a number of communities now are 80 percent, 90 percent unemployment in the community.

Now, Mr. Chairman, what does this do when we have the kind of leadership we have by this Minister and the kind of leadership that we have by the First Minister. It means, Mr. Chairman, that the costs down the road are all going to go up for this government. That is their so-called restraint program, Mr. Chairman, which is really a re-organization of priorities program to shift priorities in the Province of Manitoba. It's not a restraint program. A shift of priorities program, in fact, is going to cost them more money. And, Mr. Chairman, if the Minister is unable to realize that and demonstrate the leadership to do something about that, then Mr. Chairman, this particular section we are dealing with, the Executive Function, might as well as not exist.

Mr. Chairman, I would like to take an example of the effect, the approach of this Minister and the leadership he is showing, and the approach of this government, is having in some of the remote communities. And, Mr. Chairman, I would like to use an example, the community in my constituency, the community of Easterville. Now, Mr. Chairman, that particular community is a relocated community, it's a community of both treaty and non-treaty Indian people. It was relocated during the Grand Rapids Hydro Development. And, Mr. Chairman, all the kinds of costs that I mentioned, the additional costs, increased after that relocation because the structure of the community was so severely disrupted, the social structure was so severely disrupted that all kinds of social problems developed and just in dollar terms, let alone in the human suffering terms, just in dollar terms it cost the people of Manitoba and the people of Canada an awful lot of money because of that social disruption.

Now, Mr. Chairman, fortunately at that time even under a Conservative Government there were a couple of progressive things done. There was assistance given to that community to begin to organize itself in the form of a community development worker in the community and the community began slowly to turn around those negative effects, eventually developing their own co-op fisheries, eventually developing their own co-op store, Mr. Chairman. Then when the New Democratic Party Government came to office additional emphasis was given to developing a local self-government, local control in that community, increased control over their own co-operative and the development of economic development activity such as, Mr. Chairman, the Easterville pulp cutting operation, which allowed the fishermen at that time to fish during the fishing season, to cut wood in the off-fishing season and a core group would remain cutting while the others were out fishing.

So, Mr. Chairman, for that kind of community, that kind of economic development project was able to insure that there was almost full employment in one of the remote communities. When there was almost full employment, Mr. Chairman, all those problems dropped off. The Minister did not need to spend as much as money. He did not need to spend as much money for jails, he did not need to spend as much money for child abuse, he did not need to spend as much money for police service or his colleague did not need to spend as much money for police service. Those kinds of social costs that are attributed to disruption fell off.

Well, of course, Mr. Chairman, with the change of government the particular program of cutting pulpwood and cutting fence posts was cut. And, Mr. Chairman, there was in that situation a subsidy going to be required because the bottom did fall out of the fence post market and there was a subsidy required to assist in the sale of fence posts and there was a subsidy required to switch into more pulp cutting operations and less fence post operations.

And, Mr. Chairman, the probable cost of that subsidy could have come up, you know, to the wasteful mismanagement figure, let's say \$50 thousand a year to subsidize and keep the people employed in that community. Now, Mr. Chairman, all that community has to do now to spend that \$50 thousand is have two people sent to jail. And, Mr. Chairman, since that operation was eliminated they have had more than two people sent to jail. So that's all that is required. So the saving of those dollars is costing a lot more money to the people of Manitoba, a lot more money to this Minister and yet he is unable to grasp that situation or he's unable to show the leadership required to change that situation within his own government.

So, Mr. Chairman, with the increase in those social problems, the alcohol problems, the medical problems, the violence in the community, the people had to fall back into the only resource they still were able to harvest and that was the fisheries. Mr. Chairman, very recently because of their sole dependency on the fishing, and that is a good fish area in that Cedar Lake the Easterville community fishes in, because of that dependency upon that fishery the people became very frightened and very afraid when the fishing season was to be cut off and they were going to be forced back into the welfare situation.

And, Mr. Chairman, because of a Catch-22 in the Federal Unemployment Insurance regulations whereas the unemployment insurance benefits for fishermen seem to be made out or designed for the coastal fishermen, for the Atlantic and Pacific fishermen, it's very difficult for inland fishermen to qualify for insurance benefits unless their season goes to a certain date. Mr. Chairman, because of that tremendous fear of falling back into the welfare trap and costing the people of Manitoba and the people of Canada a lot more money in that situation, the community was forced today to take some fairly strong action, although certainly it wasn't as strong as the press reports would indicate. What the people of Easterville did, Mr. Chairman, is put their bombardiers on the road leading in and out of Easterville, so nobody could come in and out of the community. It so happened that there were some government representatives in the community, who were not able to drive out on the road, and those people remained in Easterville to have supper with the people of Easterville, and then the bombardiers were moved when this government agreed, in fact, that they would meet with the fishermen again and discuss their concerns with the fishermen.

Mr. Speaker, this is a fairly strong action, I guess, to block the road with your bombardiers, or to have your bombardiers break down in the middle of the road, so that people couldn't go in and out of the community. Mr. Chairman, but what were the options? What choices? What freedom of choice did the people in the community of Easterville have? They had very little freedom of choice. Mr. Chairman, their other choice is the one that many of Manitoba's remote communities have now taken. Their choice was to fall back into the welfare situation, to fall back into the dependency situation. And, Mr. Chairman, although this blocking the road isn't the kind of action that I would condone, it certainly disturbs me less, it disturbs me less than the kind of reports coming out of other remote communities in the last couple of years.

The reports of shooting, the reports of violent beatings in the communities, the reports of fires where families have been destroyed often related to a drinking, or other kind of social problem that develops in these communities. And, Mr. Chairman, if at some time in this House, my colleague, the Member for Flin Flon and I sound radical, it's because we've been in the community, seen the situation, and know the results. We know what is going to happen, we know the probabilities of what's going to happen. And, Mr. Chairman, when you know that there is going to be this kind of situation develop in a community, you can't sit back and calmly say, "Well, it'll work itself out, or maybe eventually the minister or this government will do something, or maybe they will stop cutting programs in these communities." Now, Mr. Chairman, that just won't take place. So the people have a choice: of confronting this government, and demanding that this government involve itself in a preventive way with that community or falling into a give-up situation, falling into a desperate situation, where there's no hope and where all the social problems occur. And, Mr. Chairman, it's very sad to go into some of the remote communities that have taken that option to give up, to sit back and say, "Oh, there is nothing we can do, the government won't listen, the government has dropped the program that we had here for economic development."

Mr. Chairman, you can look at the communities where there is opportunity. Mr. Chairman, I think the minister would be well advised to gather some data, to gather some statistics, and see what happens in a community where there is employment opportunities, even if in some of them there is still some subsidy involved.

Cross Lake's saw-mill operation, there is still some subsidy involved there. I was talking to someone from Cross Lake last week, and they are very afraid that this government through poor management, Mr. Chairman, through poor management, by pulling out the manager that had been there for a couple of years, and was making the operation work — who had contracts with INCO for timber — by firing that manager, and having someone fly up from Winnipeg on occasion, the people of Cross Lake are very afraid that that operation is going to close down. And, Mr. Chairman,

the cost of any subsidy, the cost of any technical advice will soon be overcome, will soon be surpassed by the cost of the social problems that develop, the cost that this minister will have to pay out, and his colleagues will have to pay out in terms of court services.

So, Mr. Chairman, it's a very, very false economy, a very, very false management that this minister is operating under, and that this government is operating under. And Mr. Chairman, the report or the press releases of the task force on the Restraint in Human Needs, I believe, was the title, Mr. Chairman, I was not surprised to see that some of their conclusions, some of their general recommendations correspond to the kind of things that we had been saying in this House, and the kind of things that the minister should be well aware of.

Government restraint programs, Mr. Chairman — I think that still is a misnomer — are liable to harmfully affect the most disadvantaged segments of our population, according to the task force on Human Needs and Restraint. And, Mr. Chairman, this is where the values and principles shown in the leadership of this department come into play when they say, "The task force encourages citizens of Manitoba to look beyond the stated intentions of governments; to examine their actions and decisions; and to ask questions which will determine where our society should be headed."

Mr. Chairman, that is the key question that I'm trying to ask this evening, pointing out where I see things headed in northern Manitoba, especially in the remote communities in northern Manitoba. The evidence is there to back up my assumptions in that regard, and Mr. Chairman, I see that that type of approach, that type of orientation on the part of this government and this minister spreading itself to other services and to all the people of Manitoba. Because what happens in a remote community when you have cut out the program and there are very few jobs left? The person that had a job with New Careers is let go, the person that had a job with Northern Affairs is let go, and then the sawmill or the pulp operation, or the other economic development activity is closed down. Mr. Chairman, what happens is that people start fighting amongst themselves. If there is one or two jobs left, they start saying, "Well, that person shouldn't have that job, I should have that job. I have to feed my family." And they start running down that person, and so the whole mechanism of a degenerating spiral, or a downward spiral begins to happen — the kind of social problems I talked about, and the kind of fighting that takes place when people can no longer look after their families; can no longer do the kind of things that are meaningful and productive in our society.

Mr. Chairman, the remote communities are a warning example as to what is starting to take place in the social service agencies in the province of Manitoba, that as the minister reduces the funding of social service agencies, they start fighting with each other. And, Mr. Chairman, I'm not sure that that is not a deliberate policy, if not this minister, the policy of the First Minister of this province is to get people fighting together, so that they will not fight this government, so that they will forget who the real enemy of progress and social concern is in this province, which is this Conservative government.

So, Mr. Chairman, the social agencies are starting to fight amongst themselves. The faculties of the university are starting to fight amongst themselves. The Engineering faculty decides to fight with all the other faculties for their share of the crumbs, or their share of the reduction of crumbs that are left at the university, forgetting, Mr. Chairman, where the real cause of that situation is coming in. Mr. Chairman, the real cause is the values and principles of this government, which says that the government's only role is to allow the law of the jungle work, and then when there's small pieces left that are hardly worth salvaging, to pick up those pieces through this particular department that we're dealing with here this evening. Mr. Chairman, that's the kind of thing that's happening and is going to happen.

The press release of the task force goes on to say, "Can we afford as a society to allow social programs and services on health, welfare, education, income security, to be cut, whittled away or removed without attempting to understand the implications on our present and future way of life?" And, Mr. Speaker, the answer of this government and this Minister is yes. The answer of those of us on this side is no.

And Mr. Speaker, what has happened in the remote communities is very . . . I was quite surprised that the task force in their limited work was able to understand that basic situation that is developing, and Mr. Speaker, the following quotation demonstrates to me that they have some understanding that the Minister does not have. Restraint is becoming a program of austerity with the effect of creating more dependence on government, as many cuts in programs which help people to become more self-reliant have made these people more vulnerable. The fat is not being cut, but rather the muscle.

And Mr. Speaker, that's what's happening in the northern communities and that's the forewarning to the rest of the people in Manitoba, is that dependency upon government is increasing. People are becoming more dependent, and that dependency now is in the form of welfare. And Mr. Speaker,

that is a very sad state of affairs. A very sad state of affairs for the communities I'm talking about, and it's a very sad state of affairs for the kind of agencies that this department is supposed to show leadership with, because the dependency of all the people, or the dependency of more and more people in the lower ladders of our society is going to increase and increase if this Minister carries on with his rigid, dogmatic direction that he gets from his First Minister. The dependency is going to increase, and with that increase in dependency, Mr. Chairman, it's going to increase the dollar cost to the people of Manitoba, because you can not make people dependent; you can not keep people dependent without all those other social problems arising and all those other social costs increasing.

So Mr. Speaker, we can't buy the general statements of this Minister. What we have to do with this Minister is measure him by the actions of his government. What have they done, what have they cut, who have they hurt, and what have they not done, and who have they hurt because of not doing them? And Mr. Chairman, the Minister is now reaching that point in his career as a Cabinet Minister that he can no longer take both sides of every issue; that he can no longer say, "Yes, you're providing a good service; however, but, maybe," and then a few days later eliminate that particular service. Or to say he's going to eliminate that particular service and then when the public pressure comes on, temporarily extend that particular service. The Minister can no longer sit in that position of monitoring, studying it, and not making decisions, and so we have to measure him by the decisions he's made. And those decisions are in the direction of increasing dependency and increasing cost to the people of Manitoba. An approach that shows a lack of value for the people in our province and in my mind suggests a lack of principle on the part of this government.

And Mr. Chairman, maybe this Minister is caught in that unfortunate trap himself of having to go along with his leader as he's leading this department. So Mr. Chairman, maybe the First Minister, if this Minister is the nice guy that he pretends to be to everybody, should relieve him of the burden of this department, Mr. Chairman. Because this Minister and some of his colleagues may in fact have a social concern, that may in fact have a social conscience. And so, Mr. Chairman, what should happen is that that Minister should not be put in the compromise position he is put in now, if that is his real and sincere beliefs; that he should not be put in that position. And perhaps, Mr. Chairman, the Minister who would like to be a nice guy could be given a department, of very little responsibility and where the budget is maintained the same and where he doesn't have to in fact do things that are going to hurt people. And Mr. Chairman, to bring in a Minister who can more appropriately effect the policies of this government. Bring in the Minister of Economic Development and put him in here; he'd be happy enough. Bring in the Minister of Northern Affairs and put him in there; he'd be happy enough. Or the First Minister himself would be happy enough in that kind of situation, where in fact he could see that his programs, although temporarily politically attractive to reduce that program, were in fact severely hurting people, severely hurting citizens of Manitoba. Severely hurting individuals, and costing the people of Manitoba in the longer run much more money, Mr. Chairman, and I think the Minister has to be either relieved of that situation or change that situation if he's going to show the leadership required, if he's going to carry out the executive function that he's supposed to carry out. Because Mr. Chairman, it is not by the payment of welfare payments that he's going to solve those social problems. It is his programs, his developmental programs that he has eliminated, and Mr. Chairman, that's what has happened, the preventive programs are being cut, the maintenance programs, the "pick up the pieces" programs have to be continued. They have no choice but to continue those programs. I mean, they can't have people visibly starving in the streets. So they have to provide that basic maintenance care.

So his preventative programs have to be continued, but he also has to demonstrate leadership with those of his colleagues, because if his colleagues cut an employment program in a community, it's going to hit him. It's going to hit him the next day, Mr. Chairman, or very shortly thereafter. And it's going to get worse and worse as the months go by, how hard his department is affected by steps, unwise steps that his colleagues take.

MR. CHAIRMAN: The Honourable Member has one minute.

So Mr. Chairman, that is a situation we are faced with. We are faced with a situation where the leadership of this department and this government is showing a lack of values and principles, and they're showing unwise decisions in terms of cost to the people of Manitoba and harm to many, many individual Manitobans. And this Minister has to start taking the responsibility for his actions. And what his actions are doing, Mr. Chairman, he has to start taking that responsibility. He can no longer pretend he's on those people's side, when those people are being hurt by his programs and the programs of his colleagues.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON: Mr. Chairman, I rise even though I've been instructed by the physician to limit my words till a final finding comes down on my own condition pertaining to my laryngitis and throat condition; however, I have to say a few words with this opportunity, because I think that the timing is right, and I think the message has to be put into Hansard pertaining to a life and death battle that we have in a particular community. And I'd like to rise with this occasion to try to influence the Cabinet and certainly the Health Minister, in probably a futuristic type of decision, but maybe my comments might influence the Minister and/or the Cabinet, and might also spur on some of the other core area MLAs and politicians to recognize the uncertainty is causing a great deal of hardship and a great deal of problems in our community.

I spent approximately two hours with the Mayor several weeks ago in Brandon and again Tuesday morning I was there for an hour and a half and I promised him that I would continue to fight to save our community hospital, the Misericordia. And I figure the studies that indicate — and I hate to quote the Manitoba Environmental Council, where it indicates a growth of about 10,000 people a year — the plans that I know are there at City Hall because I was on the Environment Committee; the plans to the rebirth of the downtown area with the east yard, and the general building that is going on; there's a new building across from the University of Winnipeg. And I predict that you will have an additional population boom of from 10,000 to 30,000 people in the core area of the city before too long.

So, for other than money reasons, I think that we have to look at the long-range plan and say that we have a particular hospital there that if, because of the former government, and we all know the danger of plans and they let out contracts for the construction of the Seven Oaks Hospital, committed us to an \$11 million hole in the ground, and this so-called void for the northwest area of the city, this reward for the dreams of many of their members, to have that particular hospital in that area, and now we find through so-called experts and what have you, that they're going to have something possibly beyond their wildest dreams if some of the suggestions by the medical people that come to me and what have you are there.

I feel that my community would certainly be shattered beyond its wildest imagination; we've already had a number of problems due to the half-way houses; our area is one of the highest crime areas in the city. We have all the undesirable late-night discos in the area, in the Sherbrook Street area. And we seem to have just a drifting transient population that brings with it a number of problems. And I think this facility last year, and I believe in 77, that it serviced at least 36,000 residents, and I told the Mayor, I said — and certainly he was on the board of Misericordia Hospital — and even in his deteriorating condition, his thoughts were with that hospital and the desire that he has and I have to see that that hospital remains. Goodness knows, we lost the old Grace Hospital; we lost the Victoria Hospital. And I just don't think we can downgrade the quality of health care any more in the core area of the city. I say that sincerely because, if we're going to have 30,000 people more downtown, we have got to be able to offer a service to people, and that's what the government's role is in my opinion. And it would seem to me with all these people there, and you haven't even got the grandiose Furby-McGregor-Sherbrook overpass built — somebody's going to tell me that they can get me to the Seven Oaks Hospital as fast as they can get me to the Misericordia, I don't buy it. And the ridiculous part of that silly bridge is that if they build a small bridge, no sooner is it built than they're behind one bridge, because the Arlington is condemned. So they're playing catch-up football at the cost to the taxpayers of Winnipeg of about \$54 million.

And I say to the civil servants, and certainly to my own Premier that I did my job in public accounts, and I'll continue to do it, and I've saved them all kinds of money. If they produce a bottom-line dollar figure on how much they figure that they're going to lose by . . . I fully agree with the decision that was made, because of Seven Oaks, to scrap the expansion plans for Misericordia. And I'll even go along with taking out the pediatrics section and the obstetrics; I even go along with the closing down or demolishing the old section which is under a fire hazard warning. But I think we need a surgical, I think we need an OR unit there, and we certainly need an emergency unit. Till you can convince me that our ambulance drivers, like the United States, can treat the heart attack victims, then I'm not going to rely on that long trip to the Health Sciences Centre or to the Seven Oaks Hospital. We've got a hospital that is the life and breath of the Wolseley community. Not only do all the people that work there live in the community; the stores and the surrounding area rely on that particular facility. And what did the former government do? Well, they did so many things, but they even took the laundry out and moved it to that politicized laundry in Selkirk, at an extra cost to the taxpayer. —(Interjection)—

Well the Member for Burrows again is quite happy now; of course he's got himself a hospital, but I may remind him that you have a very sorry record; if you could compare, we could have both hospitals if we had done away with some of the things you wasted money on. And you just start at some of the bigger ones and go down to the small ones, and you've got yourself over

\$50 million. The Member for Elmwood is sitting there reading the paper and, you know, he's one with his electric cars and his penthouse trappings; and the Member for The Pas has the composite toilets for another \$500,000, and the Saunders Aircraft for \$42 million. How about a current expense? Well, how about a current expense of \$15 million in conferences and travel; talk about priorities, if we really wanted to . . . — (Interjection) — Well, if we really wanted to consider priorities, it would seem to me — and I'm speaking for myself, and I'm sure the councillors in my area — I think if we can cut that travel budget that the former government had at \$15 million as of last public accounts, down to about \$5 million or \$4 million, there's \$10 million towards Misericordia right there that could go into the particular . . . And I think that the Cabinet has to congratulate the Minister on . . . — (Interjection) — I really think there's a matter of priority. I can't for the life of me, and of course, maybe I've got a bias or something, but I can't for the life of me see how we could put health care in a lower priority by increasing the Consumers' Bureau budget; increasing the educational budget; the Attorney-General's department at \$35 million, with \$300,000 a year going as a grant to the Law Society. And a Highways budget of \$136 million, when you're saying to me — and I represent an area that you're having financial problems with my core area hospital. I say that health care is a service to people, and I, for one, am going to keep my promise to the Mayor and to myself, that that is a viable entity in the core area. And these faceless civil servants giving us this nonsense that that hospital isn't needed. I would like to debate them outside of the House where it's non-political. We'll hold the meeting at the Misericordia Hospital and have them come forward with their alleged financial reasons for causing that particular hospital — the problem is that there's that insecurity there now; there's the innuendo and the unknown. Well, I know for a fact that my Minister would keep that hospital open if it wasn't for the barkings of some people that are saying we can't afford it. — (Interjections) — Already the Cabinet — because of the Seven Oaks problem, of the \$11 million hole in the ground, I'm already going to suffer, because the \$26 million expansion program for Misericordia was scrapped.

A MEMBER: By whom?

MR. WILSON: Well, obviously I'm not going to be getting this brand new facility at Misericordia because of the fact that they are continuing on with the Seven Oaks project. But I would think that I can envision a smaller hospital, take out the surgical and obstetrics and give us an OR-surgical-emergency unit and . . . — (Interjections) — Well, I tell you, it really annoys me, you know, because if the Member for Elmwood gets me mad enough, I'll start going into some of those ridiculous architectural fees that he committed us to, and I'll get into the lease at the — that Elmwood building, I forget what it's called — the old Snowdon Building. And I'll get into some of the other things that I could save the taxpayers a lot more money on.

But I'm talking about the future, and I'm talking about the future of my area. I have yet to take a trip out of town, and if I get to cost the taxpayer \$1.00, and I say to them I have a problem, and that problem is that I have a hospital there that needs some consideration. I really think, as I say, that the decision won't be made this year, but I wanted to put it on the record because of the fact that I had spent Tuesday morning with the Mayor and I think that, should he, through a strong will, be with us for a little while longer and understand — I know that he has periods of mental alertness — that he would be very happy that his friend had stood up in the House and my record of pointing out the waste and mismanagement for members opposite is there.

But I won't stand by and have people say they can't afford to keep that core area hospital when I look at some of the priorities, and I say that health care to people is a priority, and maybe 7.1 percent is not enough. I don't know what the answer is. But if they tell me they're short a few million, I'll dig into public accounts and I'll find it for them. I can give you an example, just in the area of welfare recipients alone, if you want to save \$300,000 or \$400,000, stop them from moving so much. Last year the bill was over half a million dollars; the taxi bill was over \$400,000.00. You have the welfare appliances, where we pay \$94.50 for a fridge and goodness knows, Eaton's and The Bay and all the rest of them would give to the government if we set up a program, as good corporate citizens, they'd give us all these appliances for free.

Well, you know, the Member for Fort Rouge last . . . but I'll tell you something. I had a meeting at the time with the former head of Eaton's when I was on City Council, and he agreed to sell them to us for \$5.00 if we would go and pick them up, the trade-ins. And the problem I had is the head of the Hydro store, decided to scuttle my program, so he got his just reward; the Hydro store was closed and he was out of a job.

But I just really wanted to close by tying in my concern about the emergency at Misericordia with a concern that I have, and I expressed in the Throne Speech, of the ambulance service. I think we've gone ahead in leaps add bounds from the old gouging system that was there before, but I think that we have to train these people in pulmonary cardiac arrest; I know in Brandon there's

been some concern that at least three or four people that could have been saved in the last short while, because of the lack of training of the ambulance people. I would hope that these medics, and I'm not just talking about a television program; I think it's a reality that if our government is going to increase the fee to \$60 a visit — and again, I know they're autonomous, so we shouldn't be getting the blame for that increase — but if they're going to ask that kind of money, then they should be able to supply professionalism. And I urge our government to put in those regulations when talking to the ambulance committee. And I would like to see some of these ambulances — I realize that we have no complaint at Misericordia in that on Lipton Street we have a very fine ambulance depot — it seems to me that some of them should be housed, possibly in the hospitals themselves.

I really think, as I say, that if there is a particular public debate and if the government ever wanted a clear message, and I know they have never indicated and never suggested that they were ever going to close that hospital, but the very fact that Seven Oaks is going ahead and the drawings are there and doctors are talking and the uncertainty that is surrounding us in that particular community is cause that we have to get some indication from the government as to where they can get new resources and are we talking about something that isn't justified inasmuch as if these 30,000 people are moving back downtown to the core area, then why would we want to close the only central hospital we've got, only to have to build a new one ten or fifteen years down the road?

And I would urge these so-called experts to look at the human social side of it and to get in touch with the community and ask is it worth making a possible mistake in the name of a few dollars. And I say a few dollars, because if you're not going ahead with the \$26 million, if you're taking the obstetrics and the pediatrics and taking some of the geriatric beds out of there and just making it a smaller hospital, then you're really continuing, even with inflation, with no more, possibly \$16 million or \$18 million a year operating cost. And I think that's not too much of a price to pay for health services in the core area.

MR. CHAIRMAN: The Honourable Member for Elmwood.

MR. DOERN: Well, Mr. Chairman, I don't intend to spend more than ten seconds with the last speaker. I don't know whether there's a need for a Misericordia Hospital or a hospital in the member's riding, but I know one thing, there is a need for an MLA in Wolseley riding. And you know, Mr. Chairman, I can just imagine about twenty or thirty years from now when the Member for Wolseley's a doddering old man, stumbling around the Legislative area muttering about electric cars at a time when probably everybody will have an electric car, and bringing up all these old scandals that he brings up from 74 and 75 and 76 and he'll be bring them up throughout their regime when our government's in office, when there is new Conservative premiers, followed by new NDP premiers, he'll still be saying, "Why, back in 75 somebody took a trip that cost \$268." That's about all I can spend on him, Mr. Chairman.

Mr. Chairman, there is one issue that was dealt with by the Minister, commented on by the Member for St. Boniface and the Member for Fort Rouge, that I wanted to deal with. And that is the remarks of the Health Minister, Monique Begin, in regard to the policies and programs of this government, along with the Alberta government and the Ontario government. And those comments were jumped on by the Health Minister and by the Executive Vice-President of the MMA as being fiscal blackmail and undisguised electioneering.

Well, Mr. Chairman, I find that somewhat of an instance of the pot calling the kettle black. I don't refer especially to this Minister, but to the Premier, who in my judgment has spent the better part of the last eighteen months attacking the Federal Government at every opportunity and putting himself into the Federal election campaign at every opportunity. And now we're getting, of course, a counter-reaction. I don't know what the motive or what the intention of the Minister, the Federal Minister of Health was. I take her comments as I read them, namely, a genuine expression of concern for the integrity of a universal medical care program. And that is the one point that I want to deal with. Mr. Chairman, the Minister has said on a number of occasions, and perhaps he can clarify tonight, that he is considering flexible billing. He has, I believe, said on other occasions, that he was considering deterrent fees. I don't think he said he was going to implement them. I think he said that it was a possibility, and I have asked him questions on this; I have read his comments on this and so on, and I find it unclear and uncertain as to what his position is in regard to these two issues. The current topic is flexible billing, and that is also the current concern. And I quote from an article in the Free Press on February 8th, when he said, in regard to flexible billing, he said, "We are looking into this, because it is an expressed serious concern of the medical profession, and we have to address ourselves to it".

Mr. Chairman, I believe that the record of this government in the medical field is a cause for

concern. When they took office, or pardon me, when they were in office in the Weir administration, they implemented Medicare, reluctantly. There was a nation-wide program; they couldn't leave the money on the table; they went into Medicare, and they implemented it in one of its harsher forms, namely with premiums. And, Mr. Chairman, since that time, they have considered deterrent fees and they have considered flexible billing. Mr. Chairman, my colleague, the Member for Seven Oaks, made an excellent remark concerning flexible billing. It was quoted in the Trib last December by Frances Russell. He said that the government wants to keep its cost as low as possible, so it shifts the burden onto the individual patients by allowing doctors more freedom to extra bill. But that is part of the objective of the government to keep costs low, to shift costs to individuals, to have people exhibit their rugged individualism in the economic sphere and in the health sphere. And I would like the Minister to clarify his stand on flexible billing.

I personally categorically am opposed to flexible billing. I say that this would be a bad retrogressive measure, and that under flexible billing you would have everyone in Medicare and everyone out of Medicare. Both at the same time. You would develop, in effect, a two-class system of medical care. And that is why, Mr. Chairman, the Federal Minister has expressed a concern and why there has been concern expressed from the Opposition benches. If you allow doctors to have the so-called flexible billing system, it's quite clear that it would be in the best interests of every individual doctor to take advantage of it, to collect their standard payments from the Health Services Commission, and then to extra bill each and every patient that they saw fit to be able to handle additional payments, because they'd have nothing to lose. Nothing to lose.

At this point in time, they're either in the plan and their payments are all guaranteed, or they're out of the plan and they take a certain risk in opting out. There's a deterrent feature in the present system, which discourages doctors from opting out. Under flexible billing, there would be nothing to be lost by taking advantage of that particular provision. And I say that very quickly, once this type of policy was adopted, immediately what you would get would be the better doctors, the doctors with the bigger reputations, the doctors with the larger practices, they would quickly handle only the wealthier patients, the people who could afford to pay that extra amount of money. And then the new doctors, the recent graduates, the inexperienced doctors, the people starting out, or perhaps people who are not the cream of the crop, they would handle the vast majority of Manitobans. And I would think that that is a policy to be avoided at all cost. The government should either discourage doctors from opting out or at very least should not encourage them to opt out.

So I would like to hear from the Minister a clear statement that he, in fact, is not considering this type of a provision which would allay some of the fears of the Federal Health Minister that the government is doing things and undertaking policies which are detrimental to universal medical care. Mr. Chairman, I emphasize this point. The government is hung up on the philosophy of rugged individualism. They want people to pay their own way. Well, you know, it's all very well to pay your own way if you have an equal start in life, if you have considerable talent, if you have good education, if you have good health, maybe if you were born with a silver spoon in your mouth, but if you're starting out at the bottom, it's sometimes pretty hard to get up to an average level, and if a person is sick, then it is a disaster to be confronted with a package of medical bills. If you look at the great American system to the south, you can see how fortunate we are when they have their hearings on Medicare and you have Senator Ted Kennedy calling in Canadians to tell their story about what happened to them and their families when there was serious illness in their families, and people in the UNITED STATES gasp at the advanced stage and the advanced social progress in this country and are only now looking towards reaching to that level. So here is an American senator and a number of his colleagues, most of them Democrats, considering moving towards the Canadian plan, and then we have certain people in this country, including some members of this government, considering turning the clock backward and moving away from this particular principle.

Mr. Chairman, they are considering policies like that. They are considering moving away from public automobile insurance, which is a successful public program. They are considering tinkering with a property tax rebate. They are considering disbanding one of the most successful and well-established public monopolies in the country, the Manitoba Liquor Control Commission. And now they are also considering flexible billing. So I say that, in conclusion, we must say to the government that they should back away from this type of a move, and I think that this can only be stopped by some strong action on the part of an alert public, and an aggressive Opposition.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Thank you, Mr. Chairman. I regret I haven't heard all the comments since the Minister spoke, but I did hear the Minister's opening comments, and I won't take advantage of the fact that we are still on the executive branch. We are, yes. The executive function to cover the waterfront.

I'll leave that as we go along. But I would want to respond to some of the comments made by the Minister. I believe he spoke for all of 60 minutes, and I think his arm must be hurting terribly, because I have never witnessed and never sat through an exercise where one man got up and proceeded to pat himself on the back so consistently and so often.

And Mr. Chairman, you know, even if he deserved it, I think there's a certain humbleness that I think should be followed. There should be a bit of, you know, holding back from paying oneself these kudos and these compliments. That's even if he deserved it. Mr. Chairman, this Minister doesn't deserve it. What he does deserve is that he should be given an award for excellent image-building. You know, he's the best huckster in this House. Without a doubt. He's missed his calling. You know, if he wasn't selling in his private life, he should have been. He could sell fridges to Eskimos, without a doubt. You know, you've heard those stories, and he really qualifies. Except he is now . . . except if he follows his colleagues' advice, he'll now take those fridges away. Well, Mr. Chairman . . . —(Interjection)— your which? Well, there's a certain amount of salesmanship required there too. —(Interjection)— You can — yes, in this case, you're saving Manitobans from themselves. This is your calling in life right now. And he says — he looks back on the one year and the thing that struck me, which he takes great pride in, is that he succeeded in containing expectations. I think that — I haven't got Hansard, of course, but he made that statement. He succeeded in containing the expectations. Isn't that terrific? Down boy, you know. Keep everybody down. If you have expectations, forget about it. You're not getting it; you're cutting down. We are no longer in Manitoba, under this government, prepared to foster the raising of expectations, to foster the people's hoping that somehow their lot in life will improve, that things will be better for themselves and for their children. Not any more. Here in Manitoba, a new day has dawned, and we're out to contain expectations.

Last year, the theme of the Minister was cost first and need second. Now it's "I have succeeded in containing the expectations." And if he wants to take credit for that, and if he thinks that's such a great achievement, well, good luck to him. I don't believe that that is what the people of Manitoba really expected from this government or from any government. They feel they have a mandate. They interpret it in their way. And he even gives the impression that somehow he has contacts within the community, he's meeting with people in the community. He's getting a feedback in the community, and that what he has done is meeting with their approval. With the general approval of the population. Mr. Chairman, I don't want to disabuse the Minister, because, frankly, at the rate he's going, I don't doubt that we'll sitting on that side next time around. And maybe I shouldn't disabuse him, because, frankly, that's our intention, is to change over.

But I have to say this, because as a member of the Opposition, I think it's my responsibility to say it. The fact is, Mr. Chairman, that the people of Manitoba don't want a society where it's dog eat dog, where it's me instead of we, and that's the kind of thing he's selling. Me, I, forget the next person. Individuals. Leave it to them. They've got to do it on their own. And I recall — oh a number of months ago, he spoke, I believe, to the Social Planning Council of Winnipeg; it's about a year ago, talking about the concept of prevention, and he talked about prevention again. But his concept of prevention is very different. "The concept of prevention," he says, "runs the risk of contributing to the abdication of responsibility. The diminution of the family as we know it. Manitoba should do more for themselves to reinforce the vigor of family life." You know, those are wonderful sounding words. They move me when I read them.

But, Mr. Chairman, we're now in 1979. Is he talking about the fact that in Canada, and in Manitoba, and in the western world generally, the extended family, that concept, has been long gone. That we are in the age of the nuclear family and have been for a few decades. And to talk about the good old days, the extended family where grandpa and grandma and a few maybe aunts and uncles and, of course, all their children, will all live in the same house and share and look after one another. It's a wonderful dream — a wonderful thought. But, Mr. Chairman, it is not the reality today, and the Minister should know it. And the Minister should know it. I'm depressing you? I'm sorry.

A MEMBER: You're depressed by it.

MR. MILLER: I'm depressed by it. I see. So, Mr. Chairman, what we are hearing is cliches, catch words, slogans, an attempt to turn back to an era which no longer exists. It simply isn't a real world in which we are living today and in which so many thousands of people find themselves. As I say, we are in the age of the nuclear family, trying to turn back the clock to discover something that is no longer here. It just isn't realistic except it makes for good, I guess, good rhetoric, good speeches, and some people might even be caught up by it. But I suggest if they have been, it'll only be for a very short while.

You know, he's often talked as well about why the government has to get out of certain things,

and the concern that the government has for elderly people, and generally those in the lower income level. And he, at that same conference, as a matter of fact, said that inflation is a major problem for elderly on a fixed income. You know, he's discovering America. Of course it is.

But whenever that side, that government, talks about why they're not doing something, they immediately say, well, that costs money, and that will add to inflation. Mr. Chairman, that is probably the greatest duplicity practiced by that government. The spending of money, whether in health programs, in social programs, for the elderly, or for the young, or what have you, will not affect inflation by one-tenth of one percent. If he stops tomorrow, if he closed down every hospital, every hospital in Manitoba, the inflation in Manitoba will not drop one iota. Not one iota. And he knows it. If he doesn't know it, he should go back to school.

So the pretense, the excuse, of saying, well, inflation is such a vicious thing, it hurts people, we have to cut back, we have to simply pull in our horns, we can't afford to do certain things because, in the long run, inflation will simply erode the ability of the elderly to function properly. And of course, inflation is a factor and is a problem. But it has nothing to do with what the government, or society, plans to spend through the common pool of its resources.

When the Minister did announce, a few weeks ago that he was eliminating a program, it was, I think, a special social allowance program — it's paid to a few hundred people, it's not a very large group of people, and it's I think elderly with special disabilities, and it's about \$123 per month — and he announced that he's cutting out that program. Does he really think that he was, in fact, somehow saving Manitoba from inflation when he did that? Of course not. You know, I just don't believe this is so. I think when he announced it, the way he tried to justify it by saying, it's an anomaly, that people under 65 with equal special disabilities, equal difficulties, weren't getting this amount of money, the same amount of money, because they weren't on the old age pension and the supplement, and therefore it was an anomaly to treat two age groups somewhat differently. Sounds good.

But, he's a member of a government, that last year chose to give a special \$100 tax credit to someone who has reached the magical age of 65, and who is in the unfortunate position of having a house that is assessed so high and whose own personal income is so high, that he doesn't qualify for the full \$375 tax credit. So this government said, these poor people, these elderly 65 years of age, we've got to give them \$100 more off their educational tax bill, because they're elderly. But, when he's dealing with elderly, not in that income bracket, in a very low income bracket, who need special assistance, as he acknowledges, he has no compunction with getting up in the House and saying, "We're not going to take it away from anyone who now has it, but we're cutting off the program and henceforth the program ceases to exist' and those that are in the program will die out." and that's true, they're probably all well into their seventies and eighties anyways. So he won't have to wait long.

So, Mr. Chairman, this is the kind of approach, the attitude that this Minister has shown. And as I say, I give him marks for being a good salesman and presenting an image which sounds reasonable, sounds even very humane, but in fact, I suggest to you, it's quite different. It's anything but. He has often talked about prevention, and I believe today too, he said a citizen should think in terms of prevention. You have to look to community resources in the private sector and in order to develop the idea of prevention, help people think in terms of prevention, and in the long run perhaps get a better handle on health costs. And nobody can argue with him.

But he doesn't practice what he preaches. Again, he uses cliches and slogans, but when he comes down to it — we witnessed just recently and are still in the process of dealing with these community health centres, which is a model of what prevention is all about — and you know, —(Interjection)— this man knows, because he's been to Federal-Provincial conferences, Health and Social Services conferences, he should know that when the system is structured, is in existence, and you want to move that structure, you want to move that system, you want to modify it, you can't simply cut it off at a point and start something new. You have the traditional system, which is carrying on, that's the sickness-oriented, cheer-oriented system, which is traditional, and if you want to modify that, you want to introduce new concepts, preventative concepts, you can only do it if you add on to it as existing. The payoff is down the line. The payoff is 20 years down the line — 25 years down the line. And in the final analysis I'm convinced that's how you have to go. But you have to be prepared now, at any point at the beginning, you have to be prepared to recognize there's going to be a bulge in the expenditures in order that the two systems that you develop can for a while run parallel with one then gaining ascendancy over the other. And that's the only way you're going to change the system.

That was recognized in Federal-Provincial discussions. A few years ago the Federal Government even suggested they would put in a pot of money for all the provinces so they could launch these kind of preventative programs, and Manitoba did take the lead in launching many programs, which this government is now busily, very busily, trying to dismantle. And you know, I wish they had the

courage of their convictions. I wish they'd just cut them off — just lop them off. You know, you're not being kind when you just squeeze and squeeze and squeeze until what's left is just a shadow. But the substance is gone. The ability to function is gone. And that's what that government is doing.

The case loads of their own social workers are going to a point where they can't do anything but push paper. That's a reality. They can't see people. They can't counsel people. They can't do anything. They're pushing paper. Within the agencies, the squeeze has been on to such an extent that, again, they have to draw back. They haven't got the time. They haven't got the manpower to really do the job which they're supposed to do.

Because of cuts in budgets, whether its agency or the government itself, or restraint in budgets, they just haven't got the funds to replace staff that's on holidays, or is phoning in sick. You just carry on as best you can. The result is the backlog keeps growing larger and larger and larger, so that throughout the health field, the social services field, this is taking place. And for the Minister to stand there, as I say, pat himself on the back, and give himself kudos, and say how wonderful things are, and how he has an excellent rapport with community groups outside of government, I guess either he believes it, or he figures if he says it often enough, everybody else will believe it too.

The messages we get, Mr. Chairman, and we're getting them more and more often, is that this is not the case, that in fact he has succeeded in frightening many people so that they're reluctant to come forward because there's a fear that they're going to be lopped off next. What the government generally has succeeded in doing, because they have squeezed the funds available, they've created a situation where agencies will fight one another, instead of uniting to saving us to have more from government—they're so fearful that they end up fighting each other for the few dollars that there are. And instead of, as I say, acknowledging and putting the blame where it properly belongs on this provincial government that is underfunding across the board, the groups, the organizations, the agencies, and the Civil Service itself, ends up having to squabble and fight and try to retain what it can for itself, even if it has to take it out of some other organization or agency.

And I tell you that's not the way to build a healthy Health and Social Development Department. And, Mr. Chairman, this Minister was very put out about the Federal Minister writing him a letter, or, no, not writing him a letter, but making statements in the press, or the media, about our concern of what's happening in Manitoba vis-a-vis the Medicare system and he puts it down to being political and electioneering, etc. You know, he may be right, that in fact, in the case of the Medicare, he may be right. The government may not be moving to tamper with the Medicare system we have today. And the reason I say it is because I think they're scared to even try it. If they thought they could get away with it, I think they would. But I think they're smart enough to realize that if they tamper with that, they're in deep trouble. So, I don't think they're going to do it.

But do you know, the same Minister shouldn't be surprised if Monique Begin, of Ottawa, is a little leery when she looks at Manitoba, because here she has a Minister who, when it was announced that the change in the Family Allowances were going to be made, and instead of the monthly payment, which was a method used for decades, there'd be monthly payments with a maximum of \$20, and then at the end of the year, through the Income Tax, \$200 per child of a qualifying family. And it's many, many, many weeks ago that Ottawa tried to get from every province an assurance that that would be passed on to the recipients . . . —(Interjection)—

Just a minute, and this Minister did not respond, and when the question was asked in the House, this Minister also got up there and said, well, I'll let you know at Estimates time. Who is playing politi He wanted to get up there in his moment of glory and announce to the people, to the children of Manitoba, you needn't worry, this government will not take away your \$200.00. You're darned right they wouldn't. Because the Federal Government would cut them off and they know it. They'd get at them tomorrow. It's not theirs to take away. If the Federal Government wanted our Government of Manitoba86 - to get \$200 per child, they would have it direct to the government of Manitoba. Why send it to somebody on mother's allowance so she can then turn it over to the provincial government? Nonsense. Mr. Chairman, we have a grandstander as a Minister. He loves it, he's playing to the limelight; it's his moment of glory. I suggest he better bask in it because it's not going to be long.

MR. CHAIRMAN: 2—pass; 3. The Honourable Member -for Churchill.

MR. COWAN: Yes, thank you Mr. Chairperson. I wasn't intending to rise and to enter this debate this evening, Mr. Chairman, but, having heard the eloquence that has waxed so brilliantly from the front benches, I feel motivated to stand and perhaps contribute that which I can, to talk about the subject at hand from a bit of a different tact, , from a bit of a different angle. I feel that what has transpired in the nearly two years since this government has taken office deserves some

I almost feel sorry for the Minister because he's in such a tough spot. And he's in a tough spot because he's being set up, Mr. Chairperson, as a fall guy. He's being set up as a fall guy by his colleagues, some of them borish and insensitive as they may be. —(Interjection)— I hesitate to say dim-witted, but I can't for the life of me figure out why.

At any rate, he's being set up by his colleagues and by his government because their contractionary economic policies, Mr. Chairperson, are going to create — as a matter of fact they are creating a legacy — a legacy that will end up right smack dab on the Minister's doorstep. You know, in a little bit less than two years since they have come to power, they have put the squeeze on the economy. I see now you're wondering how we are going to get around to the department at hand, Mr. Chairperson, but I assume I will have a bit of latitude.

They've put the squeeze on the economy with their contractionary economic policies. And you know, Mr. Chairperson, when you squeeze something long enough, and when you squeeze something hard enough, something has to give. And their short-term economic opportunism will have a negative impact on the society as a whole because it strikes hardest at those that are least able to defend themselves. It strikes hardest at those that the members on the opposite side, in the front and second and back benches, seem to have little empathy for, Mr. Chairperson.

The other day we listened to the dribbles and the drabbles of the First Minister, who admittedly is not good with figures, tried to defend the most recent statistics from Statistics Canada in reference to the unemployment rate. And we saw him get quite preturbed, upset; we saw him lash out personally; we saw him exhibit all the symptoms of stress which we know accompany increased levels of unemployment. We saw him do that because he knew that the statistics and that the figures showed that his government was failing in its economic policies.

We see that when they took office in October '77 that the unadjusted unemployment rate was 4.7 percent in this province, Mr. Chairperson. Then we see it rise until it is now 7 percent. And how does the Minister cope with that damning statistic? He says, well, a year ago, when they were in office too, I might add, a year ago it was 8 percent and we brought it down one percent and neglects to tell us that it's up 2.3 percent from when they took the office. And even on the unadjusted level, Sir, they pumped it up to 6.5 percent with their economic mismanagement and then brought it back down to 5.6 percent and said, "What good boys we are".

Well, Mr. Chairperson, the unemployment rate for 1978 on an average was 6.5 percent. Up one full percent from the year previous. And you may ask why I bring this into the debate at this juncture. You are asking. Well, Mr. Chairperson, I'll tell you. It is because that one percent, that sustained one percent increase in unemployment is going to place a burden on the Minister's department, is going to place a burden on the social services of this province that he is going to have to cope with, but will be unable to cope with, because his colleagues and his Cabinet colleagues and his backbenchers will not support him.

Let me explain what a one percent increase in unemployment does, statistically, Mr. Chairperson. I'm quoting from a study that was done in October of 1976 in the United States, called Estimating the Social Cost of National Economic Policy, Implications for Mental and Physical Health and Criminal Aggression. They show that for every sustained one percent increase in unemployment rates, the following results would accompany it. The suicide rate, which would come under the mandate of the Minister, "The suicide rate would increase significantly over the year of the cutbacks, and for the subsequent five years afterwards with the result being cumulative." It showed that 4.1 percent of all the suicides in the fifth year could be directly attributed to that one percent rise in unemployment five years previous. That one percent rise in unemployment that we saw happen under the first full year of the Minister's government.

It also showed that the number of state mental hospitalizations for males increased. Again within the mandate of the Minister. And in the fifth year, "4.3 percent of the total number of state hospitalizations for males could be attributed directly to the legacy of stress that had been created by that sustained one percent rise five years previous."

State prison admissions could be linked with 4 percent increase in the fifth year, sclerosis of the liver 1.9 percent in the fifth year, 1.9 percent of all the total mortality in the fifth year following a one percent sustained increase in unemployment would . . . —(Interjection)— The Member asks about lead poisoning. I'm glad, Mr. Chairperson, that somebody on that side is finally showing some concern about lead poisoning because the Ministers have been vaguely silent on it. —(Interjection)— The Member for Gladstone. Thank you. He wants to know about lead poisoning.

Let me tell you, Mr. Chairperson, how lead poisoning is going to affect the Minister whose Estimates we are discussing this evening. Lead poisoning has a cumulative effect in the body also. It is going to affect it right now. It is affecting it today by the increased number of workers in this province who are undergoing collating treatment at the hospitals and doctors' offices. That's the immediate cost to this Minister's department.

But also the long-term effects have been proven to cause mortality from renal disease, mortality

from kidney failure. So what we are going to have because they refuse to clean up the workplaces now, we are going to have a legacy of workers 5, 10, 15 years from now, who need the dialysis machine, who need dialysis treatment, a very costly, a very expensive treatment. And because the Minister of Labour now sits there and denies that there is a lead problem and then refuses to do anything to deal with it when the facts are presented to him, he is creating added burden and added cost for the Minister of Health. So everything that their government does is going to be laid squarely at the doorstep of the Minister of Health. He is going to be forced to pay, and we've seen already, Mr. Chairperson, how those costs are affecting his department.

We saw about a year ago a study come out of Thompson which talked about the impact of adverse economic conditions in that community, created by his government's refusal to cope with the INCO cutbacks in any sort of a positive manner. We saw what that did to the welfare expenditures. You know' Mr. Chairperson, the welfare expenditures in 1978, when compared with a similar period previous to the cutbacks in 1977, when adjusted for population loss during that period, they increased by 59 percent. Those are the type of added costs that contractionary economic policies are going to have on the Minister.

We saw Criminal Code offenses increased at an adjusted rate of 29 percent. We saw, Mr. Chairperson, that there was a 30 percent increase in the number of people who were living under what they called greater than average stress and that there was a full 40 percent increase in levels of stress for that year; in other words people thought that they were living with more stress that year, created by those cutbacks, than the previous year.

We also know, Mr. Chairperson, that these increased levels of stress, the squeeze that's being put on by the contractionary economic policies of that government, are going to result in increased expenditures for the Minister's department, both in welfare payouts, in the cost of correctional institutes and in the cost of maintaining mental and physical health in all Manitoba.

So the point that I want to make, and I'll be brief, Mr. Chairperson, the point that I want to make is that their restraint, their so-called restraint, is only a phony restraint. It may look good; they may be able to balance the books right now, or cook the books to look balanced right now — they may be able to do that; I'm not saying they can; they tell us they can, I'm not certain — but if they can, if they can manipulate the figures to show that, in five years from now, in four years, in three years and in ten years, the cost will start to show up in the economy. The costs will be heavy and they will be a burden on all of Manitoban society, and they are costs that we don't need to pay. They are costs that we can avoid by just applying some simple logic and some simple humanity to the act of governing, something which that government seems adverse to doing.

MR. CHAIRMAN: The Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I wonder if I could direct a question to the House Leader. Is it the intention of the government to proceed beyond 10 o'clock, because we'd be prepared to adjourn at this time, but does the member intend to . . .

MR. JORGENSON: No, we're going to continue.

MR. DESJARDINS: Before my colleague from Elmwood asked

MR. CHAIRMAN: The Honourable Member for St. Boniface. his question to the House Leader, I was going to suggest that we establish at least — I think that everybody had a chance and I think that there was an inclination of the Minister also to go along with this — establish a line-by-line discussion because we haven't been doing that so far. And then shortly after that we could adjourn. So I would like, now, if it's the wish of the House Leader to go on a little longer, well, that's up to him of course.

I'd like to do that at this time, Mr. Chairman, and then, of course, we're on 1(a)(2), and I'd like to ask the Minister how many staff man years are there covered on this item?

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Mr. Chairman, the total number of staff man years that we're looking at in this particular appropriation is ten, which is the same as it was for the fiscal year now ending, but I'm just wondering whether the Honourable Member for St. Boniface has the list of staff man years and the breakdown that we supplied him with not long ago, but I think it was within the last 24 or 36 hours, which breaks down each individual section and component in the department on that basis.

MR. DESJARDINS: Mr. Chairman, yes, I must confess that I haven't. My purpose for asking that question was to place this on a line-by-line and I think I achieved that.

Now, I wonder, I would like to ask the same question. Now that we've achieved this, would it be a time to adjourn at this time and come back tomorrow, or . . .

MR. JORGENSON: Mr. Chairman, I wonder if my honourable friends would not want to try to get through Item 62, and then we could adjourn?

MR. DESJARDINS: Yes, Mr. Chairman, and I guess there's no doubt that during the Estimates we'll come back to the staff man year, but I'd like to review then at this time the total staff man year with the document that I was presented with a few days ago.

It is my understanding that last year the staff man year was 5,172.5, that's including the juvenile offenders and the correction; there were 249 vacancies, and this year the total is 4,967.5 with 131 vacancies . . . —(Interjection)— . . . 4,967.5. Now, if you deduct the 131 vacancies as of February 28th from the 249 that we had last year, then that would leave 118, and then that would leave approximately — well, there would be 5,054 last year compared to 4,967. That leaves 87, then the difference would be exactly 87 if I go by the figures, which are not mine, which are not those that I had last year — that the Minister gave me last year — but it is not that far, so that would mean approximately — and I think this is an important thing, and this is what I want to settle right now about the staff in that department — that would mean that we have approximately the same staff. And out of that, it seems that 99 of those — there's a reduction of 99 in Institutional Mental Health Services — and then there are quite a few less also in the Regional Personal Services, there is also 92.5; so I think that that is something that we should establish because there are not that many reductions. It's approximately the same as last year with these changes, so we can focus on that at this time.

Now, Mr. Chairman, I wonder if the Minister . . . —(Interjection)— . . . well, the Mincome program was only the one, the other people were on contract, and so on, there's only one employee there.

Mr. Chairman, I wonder if the Minister can tell us what these ten people are, because I'd like the Minister to tell us where he gets his advice at this time; how this thing works; who will do the assessment; who will give him information, for instance, for the speech that he made before the dinner hour; who will tell him that day care for the elderly is something new in this province, I would like to know where he gets this information because this is not a fact; and some of the new programs that were announced, as I say there were about two new ones; so I would like to get the information and then I want to discuss some of the employees in that particular thing. What are these ten, not necessarily by name, but what is their role?

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Mr. Chairman, the staff to which the honourable member refers consists of: 4 stenographic staff; an executive assistant; a special assistant; the assistant Deputy Minister; the Deputy Minister; the Chief Medical Consultant — well, the Associate Deputy Minister, Doctor George Johnston, is now the Chief Medical Consultant; Doctor Tavener is Chief Provincial Psychiatrist; and the Minister, of course. Does that add up to ten?

MR. DESJARDINS: My next question then, Mr. Chairman, is I'd like to know where Mr. Werthman fitted into this, this time. I see that there is ten, they had no vacancies, there were ten last year and were ten again, when there's no vacancies; now has he been replaced as of the . . . ?

MR. SHERMAN: Yes, Mr. Chairman. It was a matter of a replacement of that individual on the staff of the Minister in the Ministerial office.

MR. DESJARDINS: Mr. Chairman, I'd like to know why, now, Mr. Werthman was fired? It's not a question that he had to leave and the position wasn't replaced; there were ten before he left and there are ten now. I want to know if it's because of his lack of ability; I want to know if it was because he wasn't working hard enough; or I'd like to know if it's because of lack of political affiliation? Because I think there should be an explanation, I've known the man for quite awhile and I think he has been a most loyal civil servant for whoever he was working for, and I want to see if I'm responsible in any sense for his firing? Is it because he served us right, he served us well, he was most loyal? I might say that ever since, and I can assure you that he wasn't a member of the NDP Party, in fact, if anything he was a small "c" Conservative.

Now, Mr. Chairman, it is quite difficult, when you've been associated with people for years and you've trusted them, and then all of a sudden they are afraid to talk to you because there is a change of government. I can tell you that since the election I've talked to Mr. Werthman about three times; once early under this new administration, where I said to him that it would embarrass him, and he was glad to get . . . it was my understanding anyway that, if he was going to serve in his capacity it might be that we shouldn't even continue with the friendship that we had, and he was very pleased that I understood that, and that's exactly what was done. I didn't hear from him again until last year during the session, he was forced to say hello or he would have had to knock me down in the cafeteria, and it was quite embarrassing to him to be seen with me at the time. And then I can say that he also —(Interjection)— . . . you can laugh . . . I can tell you that then, I phoned him on Christmas Day — not this last Christmas, yes it was this last Christmas.— Now, I want to know why that man was fired? I think he was one of the most trusted persons who ever worked for the government; I think that this government used him as much as they could before he was fired; I think that he helped the Minister personally; and I want to know, because I am told, the rumors — and certainly not by Mr. Werthman — that it wasn't the present Minister that was responsible. In fact, the present Minister told him that he was doing good work and he wanted to keep him, and that the direction came from somewhere else; and that somewhere else apparently, Mr. Chairman, are defeated Conservative candidates at the last election, that for some reason or another didn't like him. And you know, if that is the case, Mr. Chairman, well that is practically being sadist, to see people dangling for months, not knowing where they were going to go; to be told that they were going to be placed somewhere else; and then to be given their walking papers after seven years of working.

If the Minister can tell me, all right, this man was no good; he wasn't sincere; he wasn't honest; he wasn't capable; I will accept it, but I know that the Minister is not going to say that. I don't think he is going to tell me what really happened, I don't think that he can — he knows, but I don't think that he would tell me that it's somebody else's responsibility. But what kind of a society do we have now that civil servants will be put into this position? You know there's so much fear in Manitoba now; there's so much fear that people are even afraid to talk to each other. They're turning against each other, they are spying against each other, they are spying on one another, and I think that's a bloody shame, Mr. Chairman. I think that's . . .

A MEMBER: You don't really believe that.

MR. DESJARDINS: Oh yes, I believe it; and I don't only believe it, I know it. —(Interjection)— I know it for a fact. Well, all right, you tell me, or anybody on that side, tell me why that man was fired. His position still existed, the Minister just told us that he was replaced. Tell me why he was fired. —(Interjection)— A man who has worked for seven years or so for the government; that was his future, he's not a politician that might try to go in the political arena for a few months or a few years and then quit. What are we doing playing with the lives of these people; people who have families and wives; people who they have responsibility for; and because of the whim of some defeated politician who might say, "This guy, you should get rid of him," and the direction comes from up above to get rid of him, fire him, a person who has served you as well as he served the former government, who has tried to do everything to express your policies and your wishes, who has been one of the most sincere fellows.

You know, you think this is a big joke, and he's not the only one. There's a lot of people who are going around now so depressed they don't know what is going to happen to them. And then we heard the story of the lawyer friend of the present government, telling another person last year what a good afternoon, a funny afternoon he had. He was watching the civil servants come down all depressed, come out of the building, and he thought that was a big joke.

We're talking about human beings, and if we treat them like that right in the Minister's office, what are we doing with the rest of the people? If you think that I'm just bluffing, I'm not. This is really the case, and I'm using this only as an example, and I want to make this example now, because I said earlier — and I even challenged the Minister to send a questionnaire, where the people wouldn't have to sign, and ask them what they think of the morale of this department, maybe we can go into the rest of the government.

Now can you really stand there — are you that partisan that you can sit in the back and think this is a big joke, and not find some compassion for these people? They are civil servants; they are making a career. They are not responsible for the change of government, and when they are working for one government they're paid by the public, it is their responsibility to go along with that government; and if they don't like it, they should move, and some do and some should.

I had a Deputy Minister, not when the government was changed but one previous to that, he would have quit I'm sure — but he should have been fired if not — because he took part in the

situation and he took part in the programs . . . he pushed these programs, and he was a true socialist all the way through, and I don't think he could have served the present Minister or the present government. He had trouble with me, I can assure you.

And there are others. I had a Deputy Minister — I feel the same. When they talk about Orlikow, these people expected that when you are talking about a Deputy Minister; but a special assistant, who the Minister will sadly miss, and if he's honest enough he'll tell me, he'll admit it. And somebody comes, you know, not the ruling government, but somebody else that you might owe a debt to — a political debt — say: "Get rid of this man." You know, we're talking about what kind of state; what about this freedom that we were talking about? Who was it — the Minister of Highways today told us about freedom. You know, these are people who are working, they are doing whatever they can, they are following instructions; if the Minister can tell me that this man did not do what he was told but I know that he helped the Minister personally. He's probably the best speech writer that we've had in the civil service, and if he reads Hansard he will be embarrassed that I'm coming out to defend him, and I hope that this is not going to hurt him trying to find a position. Right now he's got no job. He's still got his three kids and his wife, but he has no job. I think he's probably being paid — there must be some severance pay.

But what kind . . . do you think you are doing a service to the people of Manitoba, when you act like that? Is that what you call human? Is that what you call it? You know, I know that many, or some at least, on that side are full of their ego, and they think they are going to be there forever, but you won't. No matter who you are, no matter what party — parties will change, and this is democracy and it's good. But did you want to see a wholesale change of civil servants every time there's a change in government? Does that make sense and go right down? Is that what we want? Is that what Conservatives who believe in — in freedom they tell us, is that what they want? Do they feel that democracy is word only when they're in power? And then they should defend the people, like my colleague said, against themselves, protect people against themselves, and it becomes a joke and it's open season on anybody they don't like; or maybe a defeated candidate of theirs that they like.

Sure there are some people that have to be replaced, because they could not knuckle down and they are more than civil servants, they want to push their ideas, not the ideas of the government that was elected; and you have a mandate and I recognize that, and you can bring in the legislation that you want, and you can stop the programs that you want, and you can start the program that you want, but you haven't got the right to play with the lives of innocent people. Now, that's a damn shame, Mr. Chairman, I'm not going to make the same speech, he's not the only one, and I hope, I say again, I hope that he's not going to be hurt by that. I didn't give him a job, it wasn't any of the politicians or the ministers that gave him a job; he started working for the Manitoba Health Services Commission as the secretary. Nobody knew him, and then he wanted to make

You know, he would have been better off, that's another thing, he would have been better off to stay there quietly, but he had a little bit of ambition and those people that saw him, saw the potential in that man, so they brought him up. I think that he was a very valuable person. Now, if he gave messages to certain people, he was told to give these messages by me when I was the minister and now, a month or so ago, by his present minister. Why should he be blamed for that? That's why you have election; we're the ones that are taking this chance and are presenting ourselves to change, to change things in this country or in this province. We're the ones that take a chance; now, why if somebody dares talk to us, all of a sudden they have to go. That, Mr. Chairman, is a shame and you know, in a civilized society, it's hard to understand. I know I'm putting the minister on the spot, because I know it's not his fault, and I know that he tried to keep him, and the direction came from above, from somewhere else. He was ordered to get rid of him. I don't care if he denies that or not. He has to fight for his government, but he was told to get rid of this man. I think, Sir, that this, you know, it's civilized people I don't think it makes sense at all. I know there some of our supporters that are saying, "Now, they did the right thing, we told you to get rid of all these people that didn't belong to our party. We're glad they did it. Wait till we get back in power." I would not want to be part of any government that would go with this kind of action of an open season on civil servants. Mr. Chairman, I don't really expect an answer. The minister, I'm certainly not curtailing him if he wants to give me an answer, fine, but I know he's on the spot, and I know it's not his fault, and I know that he can't turn against his premier and other people. —(Interjection)— I think he does, but Mr. Chairman, this is time this was said. You know, all of a sudden it is popular you are going to save money, and blame the civil servants. He blamed the civil servants for the Misericordia Hospital. I announced in 1976 that we were going to spend \$26 million, or \$24 million on the Misericordia Hospital.

MR. WILSON: Then you were out-voted by Seven Oaks.

MR. DESJARDINS: No, the Seven Oaks already was announced at the same time, Mr. Chairman, and I've never heard the present minister say that there wouldn't be any Misericordia Hospital. What are you trying to do? Is this a put-up job that you can go back and say, "I saved the Misericordia Hospital." Who said that the Misericordia Hospital was going to go? I never heard the minister say so, and what did he say? The civil servants. What the hell have the civil servants got to do with that? Who makes the decision here? They might prepare a speech when you advise them, they might write a letter, but they do what they are told. —(Interjection)— What's that?

MR. WILSON: You made a \$26 million promise you never intended to keep.

MR. DESJARDINS: Oh, we never intended to keep.

MR. WILSON: That's right.

MR. DESJARDINS: Well, I can't refute that. We announced a 5-year program. We set everything year to year but we never meant to keep it. Well, all right, let's say you're right, and everything that I promised, every time I opened my mouth when I was a minister, I didn't mean anything at all. But why blame the Civil Service? Because you're a coward, that's why. That's why, because you're a gutless coward.

MR. ORCHARD: Easy Larry, easy now. **MR. DESJARDINS:** Easy, I'll go easy when you respect people, when you start respecting the poor, the one at the bottom of the ladder, not only the president of Great West Life, but everybody, they're all equal. They're all equal and they're all people and they have families, and they have children, and they have to have a job. They don't have to be turned out of office by you people — just because somebody doesn't like them. That's a damn shame, Mr. Chairman. As I said, I'm not going to repeat, he's not the only one. I can mention quite a few, but I felt that this had to be said immediately, because there is a way. You know, everything in the name of try to save money. Now the people in personal care homes they got an increase in their per diem. I'm not saying that's bad, but they got an increase in the per diem. The people now in semi-private, you know, and then we're going to be told we cut taxes, the same people who might be given 35 cents more, because of some of the taxes that were cut have to pay hundreds of dollars for services that we're getting.

I'm getting away a bit from what I was talking about, Mr. Chairman, but this is exactly it. When are individuals going to count in this society, and with this government? You know, we talk about inflation, we talk we must save, tell these unions to stop fighting. Do you know one president of a company, do you know one member of this House that quit a trip, that stopped a trip because of inflation, that did not get his bottle of rye, that did not get his car, do you know of anybody? But those people, they want to . . . tighten your belt they say, they mean, "You tighten your belt, not me." That's what they mean. Do you know of any president of any of your corporations who were so happy because you took the succession duty off, do you know any of them, that are depriving themselves of a trip somewhere in the south? You know what? They are the ones that are preaching, and where is this country going, because there is so much inflation, and because the people are on strike because they want decent wages, because the nurses want decent wages. You're not concerned about them, you don't care, you're admitting that you're not concerned about them.

MR. ORCHARD: I was just shaking my head, Larry.

MR. DESJARDINS: Well, I know you're shaking your head, I can hear the noise from here. Mr. Chairman, we can disagree, we're all human beings and we don't have to be opposite to everything they do and they don't have to be opposite to everything that we do. We certainly live in the same way, we have families, we disagree in certain things. But dammit, let's agree to treat people like human beings and not sacrifice them at the altar of partisan politics. You know, there are others that — because an association or somebody criticized somebody they are humiliated. They are humiliated and placed in an office where they have nothing to do until they quit, and if they don't quit, they're fired. Why? And I have one minister that told me, "Well, somebody had to be sacrificed." And this is the kind of government, and this is the humane qualities that we have. Don't you realize, do you think that we're exaggerating when they say the people of Manitoba are afraid. People in the departments are squealing against each other. They're afraid because they know that only so many will be kept. Well, they've got to squeal on somebody else. They're spying on each other, and they don't like doing it.

Now, Mr. Chairman, it's fine. It was quite a game; somebody came in with a thing of you know, you've got to save money, the restraint program. Restraint program. . . it's not a restraint program that's a damn joke, you just redirect' you're going a different direction, you passed certain things. For instance, in the hospitals, certain hospitals were told they've got to save money, they got to save money, they're going to have less money for their labs for X-rays. You know what's going to happen, you know what's going to happen? The patient will be farmed out to private labs. That's not going to show, or it's going to go in a doctor's office and they will say, "Look, we're spending Medicare." Is that saving money? Is that saving money? Then instead of having a lab or an X-ray where it properly can be transferred, it will be in a private doctor's office; then if he's not there because he's on a holiday down south, or somewhere, you go to another doctor. If you've got a cold, the first thing you know you're stripped and you've got a towel around you and you're going for another X-ray. You're going to spend a heck of a lot more money, Mr. Chairman.

You know it's good to talk about, all of a sudden you know it's a fait accompli, and what are you people doing. Then we hear that there's class distinction, that we're rocking the boat. We shouldn't do that. You know they used to say that in the days of slavery; there were the good niggers and the bad niggers and keep them ignorant; it was a sin to teach them anything; and damn it, some of the people on the other side have that same mentality.

Mr. Chairman we're ready to help the Minister and we're ready to go a long way and admit some of the things they are doing are right, I certainly am. I'm ready to debate the other things when we really don't agree. But darn it, are we going to have to bring this again; is this the way we're going to treat Manitobans? You talk about you've got to save money; you've got to get the climate here to get industry here. Well, what is the climate to get industry here? Cheap labour, or better still, slavery, that would be better. Everybody would flock here if they could get people working for nothing. It would be better. This is what we want to do and some people are saying, well, you've got to tighten the belt, but it's the same thing again. —(Interjection)— Well, when you don't know what to say, you'll say anything. Is that your claim to fame? You've done your duty; you were elected; you've done your duty now? —(Interjection)— Well, I'm glad to hear that. I don't know if your constituents are.

Mr. Chairman, I think that there's enough said on that but I hope that there's not too many now to go, there'll be a few more who will be fired, but this had to be said because I think it's a bloody shame the way some of the people — you know it's popular now, everybody says the civil servants are not popular right now. So you know blame them and the whole bunch, generalize. There's a few bad apples in any barrel, so what are they going to say, they're generalized, everybody's bad. The civil servants are the ones that are responsible for everything that's wrong in society. You know, that's fine, kick them because that's what the public like to hear. They don't like to see the civil servants. But I'd like to remind you that they are human beings and that they certainly deserve more than they're getting from this government, Mr. Chairman.

MR. CHAIRMAN: (2)—pass; (3)—pass; the Honourable Minister.

MR. SHERMAN: I do want to respond to the Honourable Member for St. Boniface on this particular point because he has suggested a number of things and raised a number of allegations that I think should be dealt with at least briefly. I want to assure him that there is no open season on civil servants in my department and there is no closed season on civil servants in my department. I want to assure him that although he may think in his circles that civil servants are not popular now, to use his phrase, and that it's all right to kick them around, again to use his phrase, that that does not apply to the Department of Health and Community Services and I would challenge him to prove to me that it does. I think that the Department of Health and Community Services can stand on its record in the past sixteen and a half months, a record that has been articulated by me and my colleagues in support of me in the government which has reflected a respect for our civil servants which has been stated publicly and placed on the record and which I reiterate for the record, that I depend on my civil servants, I believe that I have the loyalty and the support of my civil servants.

I try to reciprocate that, and I feel that the confidence that they place in me is not, in any degree, misplaced, Sir. I recognize what the Member for St. Boniface is saying, and has asked about one particular individual who is no longer on my staff or in the staff of the Department of Health and Community Services. I would say to the minister that he knows from his own experience as a minister of the Crown that the position of special assistant is one that carries a certain specific definition and connotation to it. It is a special category; it is a sensitive role. I think that the Member for St. Boniface would agree that a minister and indeed, a government, has the right to select the specific individuals that he, she, or it, wants around himself in a ministerial office, and I don't think that there is anybody who has ever worked in a ministerial office who would find that difficult to

believe.

Those decisions are made on the basis of the matching of temperments and personalities, and relationships that make for easy work together. I think those are personal, individual, and subjective decisions that any and all ministers make, regardless of political stripe or persuasion; regardless of government. So that I think the decision with respect to any one specific individual relative to a position in a minister's office is one which falls into a specific category and a rather delicate category that the Member for St. Boniface well knows about himself. I think that to challenge a government's decision or a minister's decision as to who he is going to surround himself with' or who that government is going to surround themselves with in the most politically intimate and confidential capacity, is a mistaken position for the member to take. The individual in person certainly demonstrated the kind of ability that the Member for St. Boniface has put on the record. I don't challenge that for one instant, in fact, I endorse what he said about that particular individual.

Nonetheless, there are such things as incompatibilities and clashes of temperament. There is the minister's prerogative to surround himself as I say with advisors of his or her own choosing. In this case, that was done. I would also say that with respect to that particular person, my interests are as keen as his, and I might say that I have taken some role in attempting to find other employment for that person; as far as the severance arrangements were concerned, they were extremely considerate.

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

MR. DESJARDINS: Well, Mr. Chairman, that's hogwash. There certainly is such a thing as Executive Assistant, and those are political positions. In fact, it is obvious, and the people know when they accept these positions that if there is a change in government, they probably will go and they don't expect anything else; or even a change of minister. And my honourable friend has an Executive Assistant. A special assistant is something else. All right, it might be. It might be that the minister can say the same thing about his Deputy Minister or anybody else: "I can't work with him." But you find him a job, especially when you've promised him that he would be placed somewhere else, and this doesn't happen. You know, he didn't ask to come and work for a minister. He was told to come and work for him; he could have quit, but he was told to come and work for a minister. And if this minister changes, he could be sent back somewhere else. But to throw him out of office because the minister doesn't like the color of his eyes; does that make sense to be told, "You haven't got a job," and now we're told, "But, the severance pay was very good." The severance pay should be what the rule says; not any more and not any less. It's not your money. It's the taxpayers' money. So to appease somebody and say, "Well, we gave him an extra month," or something; I don't know what his severance pay was.

Did the minister hear me say that he should have stayed there. Now I know that the minister — I said that he would be embarrassed — I know the minister would like to have him. That's not it at all, that he can't work with him. He worked well enough, he prepared a lot of speeches for the minister, the same as he did for me, because he was good at that. You would tell him what you wanted and he would prepare it. The minister delivered those speeches, and I delivered some of those speeches.

All right, the minister is a good Cabinet Minister. One of the members of the Cabinet can defend his First Minister and his government; that's his business. He's the one that's going to have to answer some time for that. But to try to say, "Well, I couldn't work for him, and so he had to go." He was here before this man was in politics probably, or at least in politics in Manitoba. Now because he's elected, he has to go. You try to explain that to his children; you try to explain that to his wife' that he hasn't got a job because you probably didn't like the color of his eyes. You see how that is going to go. Definitely the minister has a right to say, "All right, you are going to be moved somewhere else," and in fact, that is what he told him' but that wasn't done. But I don't think he has the right, or a government has the right to fire somebody just because there is pressure from above from somewhere else and that's exactly what it was.

MR. CHAIRMAN: (2) —pass; (3) —pass; (b)(1)Salaries —pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: I think it was agreed that when we reached that, we would adjourn.

MR. CHAIRMAN: The Honourable Government House Leader.

MR. JORGENSON: Oh, I'm sorry, item 62, that includes . . .

MR. CHAIRMAN: (b)(1) —pass — the Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, I wonder whether the minister could tell us . . . this is the committee which deals with the hearings and the appeals on social allowances, and so on. Can the minister tell us the names of the people who are on the Advisory Committee, whether they hold hearings throughout Manitoba as they have in the past. Has there been any change in how they operate in any way, shape or form?

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Mr. Chairman, I can't give the Honourable Member for Seven Oaks all the names from memory. I can certainly give him some. I can certainly supply him with a complete list. It is correct that the . . . and I could give him some from memory right now. There are 15 persons on the committee. It's true that they do hold hearings around the province on social allowances and welfare appeals. That practice continues as it always has done. They form sub-committees to deal with hearings in specific regions so that not all members of the committee are assigned to the same cases all at the same time.

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

MR. DESJARDINS: Can the minister tell us how many appeals this committee dealt with during the year?

MR. SHERMAN: Mr. Chairman, this past year, 1978; 424. The projected total for 1979 is 425, but my honourable friend will recognize that that is a projection being really based on past experience. No, that's the calendar year, Mr. Chairman.

MR. CHAIRMAN: (1)—pass; (2)—pass; (b)—pass.
Resolution 63: 2. Administrative Services, (a)(1)Salaries. . .

MR. JORGENSEN: No, Mr. Chairman, I think that the committee will rise if we have passed appropriation 62 in its entirety.

MR. CHAIRMAN: We haven't passed 62.

MR. JORGENSEN: Well, with the exception of the Salary, yes.

MR. CHAIRMAN: Well, I haven't passed Resolution 62.

MR. JORGENSEN: Now, committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker.
The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.

IN SESSION

MR. ANDERSON: The Honourable Member for Radisson.

MR. KOVNATS: Mr. Speaker, I move, seconded by the Honourable Member for Pembina, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSEN: Mr. Speaker, I move, seconded by the Member for Seven Oaks that the House do now adjourn.

MOTION presented and carried and the House adjourned and stands adjourned until 10:00 a.m. tomorrow morning. (Friday)