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DEBATES
and
PROCEEDINGS

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 3, 1979

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Before we proceed, I should like to draw the honourable members' attention to the Speaker's Gallery where we have Mr. Ryan, the Australian High Commissioner to Canada. On behalf of all honourable gentlemen, we welcome you here today.

We also have 21 students of Grade 5 standing from Sprague School under the direction of Mrs. Norman. This school is located in the constituency of the Honourable Member for Emerson.

And we have 40 guests from the Senior Citizens Organization in Selkirk. They are accompanied by Mr. Gordon Howard, and these people come from the constituency of the Honourable Leader of the Opposition.

On behalf of all the honourable members, we welcome you here this afternoon. Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, I wish to table the May 3rd Flood Report, prepared by the Water Resources Division.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES DOWNEY (Arthur): Mr. Speaker, I'd like to make the following statement: This, Mr. Speaker, is that we would like to announce that we want to assist farmers located in areas which have been flooded and who have been unable to contact their Crop Insurance Agents before April 30th deadline. I would like to announce an extension of the Crop Insurance 1979 deadline from April 30th to May 25th for all seeded crops.

Applications for new contracts will be accepted on the basis of 60 percent of the maximum coverage, but all spring seeded insurable crops must be included in the application. It will be necessary for the insured to determine the dollar selection. In the case of existing contracts, changes will be accepted to allow for additional crops but coverage will also be at the 60 percent of the maximum coverage. Any such change will require that all spring seeded insurable crops be insured at the level with dollar selection determined by the insured. There will be no requirement for changes in the existing coverage of those crops presently insured.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): The announcement by the Minister of Agriculture appears to be reasonable. We of course will be reserving our right to study the announcement but it does appear to make sense and at this point we would welcome it.

MR. SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

MR. BRIAN CORRIN introduced Bill No. 43, An Act to amend The Legal Aid Services Society of Manitoba Act.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, my question is to the Minister of Education. Is the Minister of Education

in a position to confirm that four companies, all sharing the same space and enjoying common directors, received grants under the Summer Youth Program in 1978?

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): No, Mr. Speaker, I am not in that particular position.

MR. PAWLEY: Mr. Speaker, is the Minister of Education prepared to check out whether or not four companies, namely G. A. Junkin (1976) Co. Ltd., Waseco Underground Services Ltd., J. D. Construction Co. Ltd., and Metrico Enterprises Co. Ltd. each were granted some \$9,600 each for 10 employees under last year's program, all of those companies apparently enjoying the same floor space and enjoying common directors. Is the Minister of Education prepared to investigate whether or not the moneys that were advanced to those companies were so advanced under false information provided?

MR. COSENS: Mr. Speaker, this program has resided under the jurisdiction of the Minister of Labour and Manpower since last fall. He is conducting a review and evaluation of the program. I'm sure that any cases such as those mentioned by the honourable member will come under his purview.

MR. PAWLEY: Mr. Speaker, to the Minister of Labour and Manpower, in view of the answer by the Minister of Education to the question just posed, is he prepared to investigate whether or not the four companies in question received moneys on the basis of any false statements or representations made by them in their application form?

MR. SPEAKER: The Honourable Minister of Labour.

HON. KEN MacMASTER (Thompson): Mr. Speaker, the four companies in question are all located at 572 McTavish Street, which are the four that he is talking about, and I understand that they are all separate companies, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, I wonder if the Honourable Minister would advise if whether or not those four companies became eight companies, whether he would then in that case double the number of grats since it apparently succeeded under the earlier circumstances and one becoming four?

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I would like to direct a question to the NT66 Honourable, the Minister of Mines and Resources and Environmental Management. Mr. Speaker, I wonder whether the Minister can assure the House, that statements attributed to flood forecasters on Saturday afternoon namely, that they knew about problems that were going to be experienced, but declined to mention them, because they did not want to cry "wolf" is a practice which the Minister condones vis-a-vis flood forecasting.

MR. SPEAKER: The Honourable Minister of Mines, Natural Resources and the Environment.

MR. RANSOM: Mr. Speaker, I'm uncertain as to the particular remarks that the Member refers to, and I would want to assure myself that those remarks had actually been made, before I could offer any comment.

MR. GREEN: Mr. Speaker, I congratulate the Minister on being uncertain about remarks that are reported in the media. I would ask the Minister, whether he would look at the newspaper story, because it may malign, if incorrectly reported, some of his civil servants and may place in jeopardy, the integrity of flood forecasting in the province of Manitoba — whether he would look at the remarks attributed to the people in the paper, and then advise whether those remarks are indeed, the basis upon which flood forecasting was made this year.

MR. RANSOM: Mr. Speaker, I would be happy to check those remarks and indeed, I think it's a necessity to check them out.

MR. GREEN: Mr. Speaker, may I ask the Minister to assure the House, that flood forecasting in the province of Manitoba will be done in such a way, that even if there is pessimistic forecasts, they will be conveyed to the people of the province, despite the fact that the pessimism might not be justified and that we could get better situations than the forecast might otherwise present.

MR. RANSOM: Mr. Speaker, I can assure the House that the flood forecasts that have made this year, and I'm sure in previous years, have been made on the basis of the best available information at the time that that information becomes available.

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Charleswood): Well, Mr. Speaker, I wonder if I might take a moment to note the return to the House in full health, of the Honourable, the Member for St. Boniface and to welcome him back, and also to note the return of the Honourable, the Member for Flin Flon, and to welcome him back. We hope that they'll both remain in good health.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Speaker. I'd like to address a question to the Minister of Economic Development, who is also responsible for the Manitoba Housing and Renewal Corporation, and ask the Honourable Minister whether he can confirm, whether it is correct that the Chairman of the Manitoba Housing and Renewal Corporation is a full-time civil servant, and also, whether the General Manager is also a full-time civil servant at this time?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Yes, Mr. Speaker, I can confirm that the Chairman of the Board is a full-time civil servant, the same as Mr. Currie was a full-time civil servant, when he was Chairman of the Board.

MR. EVANS: I'm not sure whether the — Mr. Speaker, I thank the Minister for that information. I'm not sure whether he heard the second part, which was in effect, whether the general manager was also a full-time civil servant and I would gather the answer is yes, you have a full-time chairman and a full-time general manager. So I would ask the following question, what is the rationale now of hiring, as is now advertised in the newspapers, an assistant general manager in addition to two other senior civil servants who are on staff.

MR. JOHNSTON: Mr. Speaker, I will clear the honourable gentleman up on the fact that the general manager is a full-time civil servant but not a member of the Board. I think the honourable gentleman knows my Housing Estimates are up probably Friday or Monday and I would be very pleased to answer the questions then.

MR. EVANS: Well, one supplementary question then, Mr. Speaker, and we do look forward to further detail discussion but in general, inasmuch an advertisement has now been placed in the paper for an general manager, can the honourable Minister advise the House what is the rationale for hiring a full-time assistant general manager when there is already a full-time civil servant chairman of the Board and a full-time general manager when at the same time the general level of personnel is dropping and the general level of expenditure is also dropping. Does he not think that this is excessive senior bureaucracy?

MR. JOHNSTON: No' Mr. Speaker.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I would like to direct a question to the Minister of Highways concerning his remarks that citizens in the Red River valley should not try to return to their homes until a green light is given and that it would be some time before the flood waters would recede. Given that there was some reluctance on the part of flood forecasters in the early stages not wanting to alarm residents about potential flood threats, I wonder if the Minister could not indicate what estimates there are in terms of the number of weeks before citizens may be able to return to normal in the Red River Valley. Can he give us a range as opposed to a vague statement of soon or some

time?

MR. SPEAKER: The Honourable Minister of Transportation.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, without in any way accepting the premise of the honourable member's question having to do with time of advanced warning, let me simply indicate to him that the Water Resources information is that we can expect a period of upwards to ten days of relatively high water prevailing after the crest has passed through a community. What will happen of course is in reverse order to what the communities closer to Winnipeg are now experiencing as the crest advances; that is with the falling off of water at the U.S. Border at Emerson followed by Ste. Jean, Letellier, those communities will be — and particularly the fringe areas of the communities — the ponding of the water begins to recede back into the channel of the river; that is where the resettlement of the area will take place first. But as a general rule of thumb it could be all of ten days depending again on weather conditions before persons who have had to evacuate can expect to be back into their homes.

MR. DOERN: Mr. Speaker, again I realize that this is a difficult question to answer but I was wondering whether the Minister had any rough estimates about potential damage to roads and highways from the flood, and also whether he had any comparable or comparative figures for 1950 as to the amount of moneys that had to be expended on the repair of roads and highways.

MR. SPEAKER: The Honourable Minister of Transportation.

MR. ENNS: Mr. Speaker, that question is premature at this time. The honourable member will note, I think in today's paper, that the Flood Compensation Board that has been put into action and established is already beginning to send inspectors to flood damaged areas, not just in the Red River Valley of course, but throughout the province, but it will be some time, some months, Mr. Speaker, before that figure can be ascertained. I should indicate to him that in these last few days the higher than the normal winds and the wind action are causing, you know, serious additional damage to such things as roadways and structures, and is causing, you know, a considerable amount of concern in those areas where high water is prevailing.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Thank you, Mr. Speaker. My question is directed to the Minister of Education. Was the Department of Education involved in the Transcona-Springfield School Division evaluation of transportation requirements for the school division, which led to the school division serving notice to cancel school bussing for 150 school children in south Transcona, who are 3 to 4 miles away from the nearest public school?

MR. SPEAKER: The Honourable Minister of Education.

MR. COSENS: Mr. Speaker, the Department of Education was not involved in that decision. It is strictly a local decision.

MR. PARASIUK: A supplementary to the Minister. Would the Minister undertake to investigate to determine whether in fact the safety of the children, especially those aged 5 to 8, will be jeopardized if they are forced to seek other means of transportation?

MR. COSENS: Our officials, I understand, have been in touch with officials within that school division, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Transportation.

MR. ENNS: Mr. Speaker, I neglected to, if I may, just as a further clarification to the question by the Honourable Member for Elmwood. What I neglected to point out, of course, in my answer was that the costs — while the flood is relative to the 1950 situation, the flood costs to the province and to the Federal treasury will of course be substantially less because of the fact that all the houses are high and dry within the ring dike areas, and there is of course virtually no damage to the city of Winnipeg. At this time in 1950, millions of dollars worth of damage were occurring in the city of Winnipeg, and with those costs not being incurred as a result of the floodway's operation and as a result of the ring diked protection of the communities throughout the Valley, that in total we

can be thankful that the costs will be substantially less than what they would have been relative to the 1950 flood stage level.

MR. SPEAKER: The Honourable Member for Transcona.

MR. PARASIUK: Thank you, Mr. Speaker. I'd like to now continue with my third supplementary, or second supplementary to the Minister of Education. I'd like the Minister to investigate the density of population in south Transcona to determine whether in fact that area which falls in a grey area between an urban area and a rural area, to determine whether in fact the children of that area would qualify for provincial school bus transportation grants, when his staff are investigating this general matter of the cancellation of school bussing in south Transcona.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, a further supplementary to the Minister of Education on the same question. Is it possible that there is some convoluted logic that if we no longer pay school bussing to the children of Transcona we can avoid them having to pay the cost of the additional five cent bus fare that went into existence on May 1st as a result of your government's refusing to give proper funding to municipalities?

MR. CHAIRMAN: The Honourable Minister of Education.

MR. COSENS: Mr. Speaker, in no way do I agree with the particular logic that's being exhibited by the Member for Inkster in this regard. The decisions on bus fares in the Metro area are not made by this government.

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, I was directed a question by the Member for Winnipeg Centre yesterday with regard to Lake Winnipeg and I'd like to indicate to him some information in that regard with regard to levels. I indicated at the time that I thought the levels were approaching, at this point on Lake Winnipeg, 715 feet. I understand now that the levels are at 714.4. The February ice level was 714.1, so it's risen slightly. The gates on the Hydro structure, the Jenpeg structure, have been wide open since last November. The recorded flow at the present time is 83,000 cfs, slightly held up by ice conditions on the channeling, and they expect that to rise to 100,000 cfs when the ice goes off the channel. The peak expected on the lake, because of the lag effect of the Red and others flowing into it, is expected at in excess of 715. The predicted peak I am given is 716 and a quarter, and it is expected in July, and the end of May will be roughly 715.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Chairman, I would like to address a question to the Minister of Labour in regard to the Private Sector Youth Employment Program. I wonder if the Minister could confirm that an evaluation has been completed and that evaluation concluded that the program was not cost-effective in that the majority of jobs would have been established without this government assistance?

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, the final analysis of the program is not completed but the preliminary ones do not indicate anything whatsoever near what the Member for The Pas is insinuating.

MR. McBRYDE: Mr. Chairman, I wonder if the Minister could tell us whether this evaluation, and the program ended some time ago, Mr. Chairman, whether this evaluation does not exist or has gone missing because it has been critical of the program itself?

MR. MacMASTER: Mr. Speaker, that's close to being nonsense, but I have said that the evaluation is not completed and that when it is I am prepared to discuss it. I'll be going into my Estimates this afternoon and in the next short period of time I am sure the members opposite can have an opportunity to discuss it.

MR. McBRYDE: Mr. Chairman, I wonder if the Minister could tell us whether a report or the preliminary evaluation which indicated that the majority of jobs would have been established without government assistance, whether this preliminary report has been destroyed or done away with or put through the paper shredder.

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W. J. MERCIER (Osborne): Mr. Speaker, in response to a question yesterday from the Member for Churchill in regard to whether or not an inquest would be held into a mining death, I would advise him that I have ordered this morning that the inquest be held and I can advise him of the date as soon as that is set.

R. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Speaker. Pursuant to the answer by the Attorney-General, can the Attorney-General indicate why the previously scheduled inquest, which was to be held in May, was delayed for such a period of time?

MR. MERCIER: Mr. Speaker, this may be with respect to another fatality and I'm not certain which fatality now that the Member for Churchill is referring to. Perhaps I can discuss it with him outside the House later and clarify that with him.

MR. COWAN: Thank you, Mr. Speaker. To the Attorney-General, I would certainly be pleased to do that.

A question to the Minister of Health. Last April 25, I asked the Minister of Health to confirm that a laboratory referred to by the Minister of Labour as providing high and erratic lead-in-blood tests was the laboratory operating out of the Health Science Centre. At that time the Minister took the question as notice. Being a week since the question was asked, I'm wondering if the Minister can now indicate to the House the result of his investigations into that matter.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry): Yes, Mr. Speaker, it's my understanding that that is the laboratory to which reference was made.

While I'm on my feet, Mr. Speaker, I would like to respond to a question asked of me by the Honourable Member for Churchill relative to the suicide rate in the City of Thompson. The honourable member asked me whether I could confirm that since the first of the year, there have been eight suicides in the City of Thompson. The answer is that in the past year, not since the first of the year but in the past 12 months, there have been six suicides in the City of Thompson. That is a regrettable statistic but, Mr. Speaker, I am assured that it is consistent with a regrettable average.

MR. SPEAKER: The Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Speaker. To go back to the previous question to the Minister of Health, can the Minister of Health then confirm that the laboratory that has come under such harsh criticism by the Minister of Labour is the laboratory responsible for the testing of lead-in-blood samples of children who are living in some communities in northern Manitoba where gasoline sniffing is a problem.

MR. SHERMAN: Yes, Mr. Speaker, that's my understanding, but there are legitimate and scientific differences of opinion as to the methods and the expertise of the two laboratories referred to by the Member for Churchill in this particular field. I can't confirm that on one is any more statistically or scientifically accurate or precise than the other.

MR. COWAN: Thank you, Mr. Speaker. To the Minister of Health then, perhaps at their meetings of the Special Committee for Lead in the Cabinet, they can discuss that matter. But given the alarmist nature of the Minister of Labour's comments in regard to the laboratory at the Health Sciences Centre, can the Minister assure the parents of children who have undergone lead treatment as a result of testing done at the Health Science Centre, that they have not undergone such treatment on the basis of incorrect testing and wrong high — as the Minister of Labour says, consistently

high and erratic test results — that they indeed have undergone treatment because the testing was accurate and showed that they needed treatment.

MR. SHERMAN: Well, first of all, Mr. Speaker, I reject the suggestion that there were any alarmist statements made by my colleague the Minister of Labour. Secondly, I can say that those tests that have been undertaken in the laboratory at the Health Sciences Centre have been essentially geared to gasoline sniffing problems in particular areas of the province and have not been related to the kinds of tests and the kinds of situations with which the Minister of Labour and the committee which he chairs are dealing at the present time.

MR. COWAN: Thank you, Mr. Speaker. Given the fact that a test for lead-in-blood is a test for lead-in-blood, notwithstanding whatever the causes of the lead being in the blood are, is the Minister prepared to sit down and discuss with the Minister of Labour the problems that the Minister of Labour seems to have indicated to the House exist at the Health Sciences Centre and to report back to the House as to which of the laboratories in the Province of Manitoba can be the laboratory that we can trust for accurate testing results.

MR. SHERMAN: Yes, Mr. Speaker, that is certainly a part of our committee's studies.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, my question to the Minister responsible for Physical Fitness: Can the Minister advise whether or not an award has yet been made in connection with the purchase of uniforms for the Manitoba athletes for this summer's Summer Games in Saskatchewan?

MR. SPEAKER: The Honourable Minister of Fitness and Amateur Sport.

HON. ROBERT (Bob) BANMAN (La Verendrye): Mr. Speaker, my office received an anonymous call yesterday questioning that. We are checking into that. I understand from a preliminary report that the particular games that Manitoba will be involved in is the Western Canada Summer Games which will be held in Saskatoon and that there was a committee established from the four different provinces and it was decided by that committee to all purchase the uniforms at the same location. I'm checking out as to tenders and other matters that are involved. Apparently that decision was made about a year ago and I'm checking into the matter and I can provide the Leader of the Opposition with the details once I have them.

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

MR. SAUL CHERNIACK: Mr. Chairman, I would like to address a question to the Honourable the First Minister, whether he can inform the House whether any legal differences are still outstanding as between the government and one Lionel Orlikow whom he discharged some 18 months ago in a summary fashion.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, ignoring the editorial comments of the Member for St. Johns, I will be happy to take the question as notice or have the Minister responsible for the Civil Service give an answer to my honourable friend.

MR. CHERNIACK: Mr. Speaker, may I direct then a question to the Honourable the First Minister, or the Minister responsible for the Civil Service, if that deals with Deputy Ministers, whether he could inform us if there are any legal differences still outstanding in relation to the discharging of the former Deputy of Agriculture, Mr. Janssen?

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, I can take that as notice. I don't think there is but I'll get you the details.

MR. CHERNIACK: Mr. Speaker, could the Honourable Minister responsible for the Civil Service give us the same information in relation to one Mr. Nordman who was the Deputy Minister for Public Works and could he also indicate whether there are any differences still outstanding in relation

to the former Deputy Minister of Labour, Mr. Goodison? Could he also inform us, and this may not be — oh, yes, this would be the same Minister — in relation to any termination of employment by the government of one Mr. Doug Duncan, the former Chairman of the Board of Commission of the Civil Service, and maybe it's to the Attorney-General, Mr. Speaker — well, maybe I had better wait to hear from the Minister of Labour on these.

MR. SPEAKER: Order please. May I suggest to the honourable member if he has a whole list, perhaps it would be better served by filing it as an Order for Return. The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Speaker, it so happens that I feel that we are best served by asking a question which has an answer, which apparently is not ready to be given, so that taking it as notice I think is an adequate way of dealing with it and the Minister, I believe, was about to reply when you interrupted him.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Labour.

MR. MacMASTER: Well, Mr. Speaker, having respect for the House, I accept the fact that you did interrupt me and I recognized it, which apparently is more than the Member for St. Johns will. I'm not sure if he's in a position to be chastised in your particular position.

The last name that you mentioned, Mr. Duncan, I know that he has retained legal counsel and we are dealing with him through the Civil Service.

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

MR. CHERNIACK: Yes, Mr. Speaker, I don't want the Honourable Minister of Labour to feel that I was attempting to chastise him at all. When I want to, I will do so in a clear-cut way, but I did not intend that, Mr. Speaker.

I do want to ask the Attorney-General whether there are any outstanding legal differences in relation to the termination of the employment of the former Chairman of the Liquor Board, Mr. J. Frank Syms?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Yes, there are, Mr. Speaker.

MR. CHERNIACK: Mr. Speaker, I only have two more to ask about, not to take up much more time. The Minister of Tourism — I wonder if she could respond in relation to the former Chairman of the Censor Board, who was I think Miss Mills-Weselake?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. NORMA L. PRICE (Assiniboia): I will take the question as notice, Mr. Speaker.

MR. CHERNIACK: Thank you, Mr. Speaker. Finally, I'd like to ask, I guess it's the Minister of Finance, whether there are any legal differences as between the government and Mr. Bateman, who was discharged by the Minister of Finance?

MR. CRAIK: Yes, Mr. Speaker.

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

MR. D. JAMES WALDING: Mr. Speaker, my question is to the Honourable Minister reporting for EMO, and it's further to his remarks that inspectors have been sent out to check on claims under the Flood Compensation Program. Mr. Speaker, given that the Minister of Education did not employ inspectors under his Youth Employment Program because "he had a certain element of trust in the people of this province," does the Minister not share his colleague's trust in the people of this province?

MR. SPEAKER: The Honourable Minister of Transportation.

MR. ENNS: Mr. Speaker, I have a great deal of trust and empathy for the people, particularly

of the Red River Valley where I was born, but there is a question of helping the residents to determine what is and what all is eligible for the Assistance Program. After all, we are working within the parameters of a formula that was adopted by honourable members opposite, when they were government, and which involves the senior government in Ottawa, and it is not a question of not trusting somebody, it's a question of working co-operatively with the residents in the Red River Valley to bring back their homes and their farmsteads into full operation and habitability as soon as possible.

MR. WALDING: A supplementary question, Mr. Speaker. I do thank the Honourable Minister for his answer. Would he be prepared to recommend to his colleague, the Minister of Labour, that inspectors should be used under the Youth Employment Program this year to enable the government to work co-operatively with businesses and farms?

MR. ENNS: Mr. Speaker, what I am prepared to recommend to my colleague, as I did to my colleague the Minister of Education last year, that I hope that the Minister with the responsibilities now will endeavour to at least achieve that level of success that the Minister of Education had in the creation of some 5,000 jobs for our young people, and I find it passing strange that the New Democratic Party is against jobs for youngsters in the province of Manitoba. I want to do better than that, and I suspect the Minister of Labour is going to create 5,000-plus jobs and I will pass on that commendation, that support every day that I sit in this House with him.

MR. SPEAKER: Order please. The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, on a point of order, I trust you will note that what we just received from the Minister was not an answer to the question posed by the Member for St. Vital, but was an editorial, was a statement which was entirely unrelated to the question that was raised by the Member of St. Vital. —(Interjection)—

MR. SPEAKER: Order please, order please. The Honourable Minister of Transportation on a point of personal privilege.

MR. ENNS: Mr. Speaker, on a point of personal privilege. The Leader of the Opposition is now suggesting that he divines my mind and is calling me for being less than truthful for the answer that I gave. The member asked me what kind of advice would I give to the Minister of Labour, and I answered as truthfully and as heartfully as I could. For the Leader of the Opposition to state to me that I was doing anything less is totally wrong and totally uncalled for, and I called that a personal point of privilege when my integrity is being challenged by the Leader of the Opposition.

MR. SPEAKER: Order please, order please. The Member for St. Vital on the same point of privilege or on another point of privilege.

MR. WALDING: On the same point of privilege, Mr. Speaker, that was raised by the Honourable Minister of Highways. I did not ask him what he would recommend to his colleague, the Minister of Labour, I asked him if he would recommend the use of inspectors to the Minister of Labour so that public funds would be used efficiently and not wasted . . .

MR. SPEAKER: Order please, order please. The Honourable Member for St. Vital is not speaking on the same point of privilege, and I have to rule him out of order.

The Honourable Minister of Transportation, in my opinion, did not have a point of personal privilege. The Honourable Leader of the Opposition did not have a point of order. Question please.

The Honourable Member for The Pas.

MR. McBRYDE: Mr. Speaker, I would like to address a question then to the First Minister, who does have a concern about hothouse employment programs. I wonder if the First Minister could ensure the House that with this year's Youth Employment Program that steps will be taken to ensure that there is a creation of real jobs rather than paying people for jobs that already exist. I wonder if he could do that.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, we will be happy to monitor that program to ensure that the program is being utilized as this House — I presumed up until the last two days that this whole House was in support of the program. I'm beginning to have doubts now, Mr. Speaker. —(Interjection)— If the Member for St. Johns, Mr. Speaker, wishes to continue rude interruptions, I'll be happy to sit down.

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

MR. CHERNIACK: Yes, Mr. Speaker. The First Minister has suggested that if I wished to continue with my rude interruptions he would sit down. I'm glad he sat down. I wanted to point out to him, rudely or otherwise would I not then ask the First Minister, since he insists that it be a question rather than an interruption, whether or not it is not clear that the fact that the Conservative Party applied for and received grants in relation to job employment was information which was supplied to the First Minister, I hope for the first time, by the members of this side, mainly the Member for Churchill, and is that a monitoring program?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I would be happy to enlighten the Honourable Member, the information was not supplied by the Member for Churchill. The information was supplied by this government on an Order for Return.

MR. SPEAKER: Order please. There is less than one minute left in the Question Period. The Honourable Member for The Pas has time for one more question.

MR. McBRYDE: Yes, Mr. Speaker, a question again to the First Minister which is really a supplementary on my previous question. I wonder if the First Minister could assure the House that an employment program will continue to provide employment for the young people in Manitoba who deserve that opportunity, as do other people in the Province of Manitoba but whether, Mr. Speaker, the program will now be administered in an effective and efficient way without the bungling and mismanagement we saw of last year's program?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I believe the First Minister has indicated that one grant of \$2,400.00 was made to the PC Association of Manitoba which should have not been made and that has been corrected. I merely remind my honourable friend that \$2,500.00 is nothing like the hundreds of millions that they maladministered when they were in government for 8 years.

MR. SPEAKER: Order please. Order please. The time for Question Period having expired, we will proceed with Orders of The Day.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. WARNER H. JORGENSEN (Morris): Mr. Speaker, I move, seconded by the Minister of Highways that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into A Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Northern Affairs, and the Honourable Member for Virden in the Chair for the Department of Economic Development.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — ECONOMIC DEVELOPMENT

MR. CHAIRMAN, Mr. Morris McGregor (Virden): Committee come to order. We are on page 25, Item 2.(i) — the Honourable Member for Transcona.

MR. WILSON PARASIUK: Thank you. This appropriation, or sub-appropriation has a reduction of

\$200,000.00. I assume that the same explanation holds for this as for the others that a part of the program is being picked up in Enterprise Manitoba. I am wondering if the Minister is in a position to give us any statistical information regarding the creation of new businesses, the number of new businesses that have been created in Manitoba over the last year. I assume that he's got some definition of small businesses, I think, those employing 25 and under, and the number of bankruptcies that have occurred in Manitoba over the last year.

MR. CHAIRMAN, Mr. Albert Driedger (Emerson): The Honourable Minister.

MR. JOHNSTON: The number of bankruptcies in Manitoba last year? Mr. Chairman, my staff has this information. The number of bankruptcies in Manitoba in 1976 was 487, which is 3.7 increase over 1975; in 1977 it was 616, which was 3.7 increase; that's not correct. I'm sorry.

In 1976 there were 13,112 bankruptcies in Canada, 487 in Manitoba, which was 3.7 percent of the Canadian; in 1977, 16,677 bankruptcies in Canada, 616 were in Manitoba, 3.7 percent of Canada; in 1978 there were 20,221 bankruptcies in Canada, 623 of them being in Manitoba and that's 3.1 percent of Canada,

MR. PARASIUK: Does the Minister have any information regarding new business creation in the province over that period of time?

MR. JOHNSTON: I offered to get for the honourable member a breakdown of businesses that had expanded or started in Manitoba that we were involved in under the Business Development section. I don't know whether we have the figures as to how many new small businesses were started. I know we haven't got them here at the present time. They may be available, we can try to look them up. —(Interjection)— We could have something available this evening that would I'm sure, be close to the figure.

MR. PARASIUK: The reason why I'm asking, we're trying to get some idea of what's happening in the way of small enterprise development in Manitoba, and maybe, we could get an idea of the stock — that is the number of firms with employees of under 25, the additions, the number that had fallen by the wayside. Because we are getting to the area of determining whether small enterprise can in a sense exist by itself within the economy, especially the economy in the latter part of the 20th century, which is tending towards bigness, where you're getting corporate concentration, where you're getting mergers. And the points that my colleague, the Member for Burrows raised on Tuesday evening in this respect were very valid.

The small firms in Manitoba, indeed, are threatened when you get corporate concentration, when you get one or two very large firms within an industry, and the mama and papa stores are threatened by Safeway. They have competed traditionally quite well against each other; they have a great deal of difficulty competing against the large chains. That has a deleterious effect, I think, on the economy because I think that we certainly favor the market working where it can, and we believe in private companies operating where they can, where the market is operational. And the grocery industry is one area where small companies and individual stores and partnerships have had a great deal of difficulty surviving. That's not been because of government interference, that's been because they have just not been able to compete effectively against the larger chains.

That has some implications for the industry itself, and price administering within the industry which I'll be taking up later with the Minister of Consumer Affairs. I'd just like to pass on the information to the Minister of Economic Development that the Ontario government has set up a commission to look at the grocery retailing business to determine the extent to which corporate concentration is really impeding competition and fair prices within that sector. And some of the revelations to date have been quite startling.

For example, McCain, which is a fairly large company said that they pulled their stock off the shelves in Ontario stores, because they couldn't "pay inside money", which is a very very startling statement. Because if, in fact, that type of situation exists, then I'm wondering whether in fact, small enterprises can get started and continue to exist by themselves. So, I think that there is a very strong role for government in the economy — a role which this government has recognized, despite some of its political rhetoric on this matter. They've recognized that there is a very strong role for government to play within the economy to support small enterprise.

A MEMBER: They won't admit it.

MR. PARASIUK: No, I think they have, I think that if you look at some of their enterprise development, you know, some of the statements they make is to foster the development of small

businesses. And that's something that they admit requires government, and they've opened their eyes on it and they say, "Yes, it does require that". But the point is, not only should we be providing assistance in order to get them fostered, get them going, but I think government as a whole should pay a lot of attention to whether in fact the conditions exist within the private sector of our mixed economy to ensure the small businesses that have been fostered, with some government assistance, indeed have a chance to survive.

I think that the economic subcommittee of Cabinet, for example, should look at this very closely, because otherwise we'll be pouring good money down the drain in this respect, if indeed one of our objectives is to foster small enterprise, and I say that that's an objective that certainly the Legislature, we on this side of the Legislature support very strongly. We want it to happen. We think it's very important. We don't think the small businesses can really get going within the private part of the mixed economy unless they get various types of government assistance, not totally; there are instances where small businesses have been able to get started without government assistance, but I think you'll be able to provide us figures indicating the extent to which businesses have required government assistance. I think you indicated that something in the order of 1,000 jobs were created because of the efforts of this department. I don't know whether one could argue that those jobs wouldn't have been created if this department didn't exist. But at the same time, you're claiming some involvement and some beneficial relationship in the matter of those particular enterprises, and so I'm wondering whether the economic committee of Cabinet really gets into this matter of what are the conditions within the economy which would allow small enterprise to get going and to continue to exist.

I've heard the First Minister make certain comments about excessive regulation, excessive bureaucratization. I've heard those comments. Those have been made before. But what I've never heard from this government, and what I'd like to hear from this Minister is whether this Cabinet subcommittee and whether this Department of Economic Development looks at the way in which the private sector or the private part of the mixed economy operates right now. Whether it has any comments on the extent to which small firms are being either gobbled up by big firms, or worse, the extent to which small firms are squeezed out by large firms. Does the government look at that particular matter, and does it have any views to express on that matter?

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: At this present time I can say that I don't really have any comments on the matter because I wouldn't be commenting on the basis of any firm discussion on that by the committee so far. But I have written down; what are the conditions — and I put it a little differently — that hinder small business? I would make a commitment that the committee would have that on the agenda to discuss. I think the conditions that the member is talking about is — possibly the ability of larger stores to buy in quantity. I have not been too involved personally, but I know that there are advertising allowances and things like that if you buy certain quantities, and this type of thing. Then the words "squeezed out," the member has used that. I understand what he means but I'm not in the position to give him any figures as to whether they were squeezed out or not when they have gone into bankruptcy. I understand what the member is saying and I'm quite willing to see that it is discussed and considered.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: The reason why I raised those points, Mr. Chairperson, is that when I look at Small Enterprise Development, it says provides service and support to improve the viability and productivity of existing enterprises and increase the number of small business expansions and formations. I looked at, what are the constraints? — and I use the Minister's words, I think his words expressed it well: What are the things that hinder small enterprise? I'm a bit concerned when the Minister says, well, we haven't really looked at those things that deeply yet. I can appreciate his commitment that he will take this matter before the Cabinet subcommittee to look at and I hope they do it soon in that if they haven't considered those things that hinder small enterprise, how is it possible to develop a program, Enterprise Development, which is very substantial in terms of its expenditure, that one has some confidence in as being able to ameliorate or overcome those hindrances to small enterprise which haven't been examined yet.

So I think that there is a problem that we have here and I would like to now ask the Minister to give us a rundown on the type of services and supports provided by the department in this particular program so that we can look at them and determine whether in fact they really overcome the real hindrances that small enterprise runs up against in the real world, or whether in fact they just deal with the marginal hindrances but not the real hindrances that small enterprise runs up

against. I think we can then judge the effectiveness of the program that we are asked to pass money for.

MR. JOHNSTON: Well, the program that we are looking at at the present time, in 1978-79, and this has been a program in the province for quite some time. You know, we have a group of men who have had experience in business and small business who do this type of work. The response to the information inquiries — that's information inquiries — we gave 31 responses to urban and 900 rural, a total of 4,000. Provision of general advice 275 urban and 100 rural, for 375; general counselling is 100 in the urban and 325 in the rural area; new venture counselling was 20 in the urban area and 150 in the rural area; expansion counselling 60 in urban area and 100 in the rural; provision for comprehensive support was 10 in each, urban and rural; and the master business administration counselling, which is done a lot with students in businesses is urban 24 and rural 20. I believe those were in the type of seminars that were held throughout the province. Now, you know, the example I can give you — there's one small store in the rural area in one of the communities in which we had the Community Commercial Development Program going, and they go out and they take areas — we designate specific areas, and we work in there and then we move to another area, where we were able to counsel for the small business on management, stock inventory, accounting, etc., and their sales went from \$325,000 a year to a million.

Now, this program gets into discussions with the businesses, the operation, accounting, stock control; all of these things are available through the counsellors by the small businesses. I personally attended a windup of one of the areas that the small business group had just finished with in Morden last year, and there was a very large and great enthusiasm for it. Now, this is an estimate, the level of activity has resulted in a branch influencing the estimated productivity gains of \$950,000 urban and \$3 million rural. We felt that we created in 1978-79, working with these small businesses, a creation of new jobs of 160 in Winnipeg and 250 in the rural, and we know that the people that we counselled with, made capital investments urban of \$870,000 and \$6 million in the rural areas.

Now, the general lack of business skills and I might say it this way, the general lack of opportunity for small businesses to gain these management skills is something that we're very concerned with, and we believe the program is one that should be continued and fostered. We have from these calls, and from this counselling, some knowledge of their problems, and as I said, we haven't really, in the subcommittee discussed it, but as I said, I'm prepared to say to the member that our knowledge from these small businesses, the counselling is there and we will certainly take a look at it from the the point of view that the member has raised.

MR. PARASIUK: Yes, then it strikes me that the Small Enterprise Development Program really is one of small business management assistance, business skills development, and I think there's validity in that program. At the same time, even if you have the business skills development, and even if you have the development of management, entrepreneurship for the small scale entrepreneur, the Minister, in our previous exchange indicated that there may be some other hindrances to small enterprise. He talked about bulk purchases, he talked about advertising margins of small companies probably being too small to really be that effective against larger companies. You can talk about warehousing, storage. Are there economies of scale? — and I guess, you know, if you start looking into this whole matter, firms always like to grow. They assume that if they're growing and getting larger, that their overhead will be spread out over a greater volume.

At the same time, you do run into some bottlenecks when you have that type of growth too. So, I'm wondering if there are some diseconomies of scale, but the matter of economies and scale and diseconomies of scale, relate primarily to the firm, to the firm that you're giving advice to and I think that this program probably can provide good assistance to the firm in trying to overcome those problems.

But what concerns me, if we're not taking a larger overview, how do we start dealing with some of the problems that small enterprise run into, that the Minister and I believe to exist with respect to bulk purchasing, warehousing, advertising? Is there any way in which maybe small firms can pool their advertising effort, if they're not directly competing with one another geographically? I know that some real estate companies have tried that approach; I think that Century 21 is probably one means of real estate firms banding together with some autonomy, and yet they try and pool some of their advertising effort — the smaller companies realizing that wouldn't be able to compete effectively against some of the larger real estate firms. So I'm wondering where in this set of government programs, that we are considering in the Department of Economic Development, where some of those structural problems facing small industry are being addressed?

MR. JOHNSTON: Well, when the member speaks of small businesses and being able to take

of advertising, and I go back quite a ways in my experience, but I know that it continues today. You'll find that there are hardware chains — I guess I could mention one, Link Hardware — where they all own their own hardware businesses and they have come together into an association, whereby their purchasing is done in a volume basis and warehoused in two or three particular areas — and this happens in the grocery business as well. You have independent Solo Stores, you have independent small stores who have become part of a warehousing program, that they are able in this case to purchase in quantities, take advantage of group advertising and in that way, compete with some of your larger chains in all different businesses. It happens in the electrical and it happens in the plumbing and heating as well sometimes. But there are some small businesses, who prefer to stay independent of these things, and those are the people we have been attempting to work with and counsel, as I have pointed out.

MR. CHAIRMAN: The Member for Burrows. (i)(1)—pass — the Member for Burrows.

MR. HANUSCHAK: Yes, Mr. Chairman. With reference to small business development, I believe the Minister the other night indicated the number of jobs which he feels his department could take some credit for creating; that he feels his department is to some extent influential in bringing ontrack and bringing into being. But I had indicated to the Minister at that time that in examining all aspects of it, you know, it appears that the number of jobs that the Minister could really take credit for is really much less than the figure that he used. You know, the Minister seems to proceed on the assumption that any which expands in the province or locates here, that all of that is coming about because of the existence of the Conservative Government, and he overlooks the fact that some of that probably would have happened anyway, so really the net figure is much much less than the figure has been using.

Now, if the Minister has been able to identify those jobs, that extent to which the economy, the business operations in the province have expanded that could be attributed to the presence of a Conservative Government, then I suppose in being honest with the people he would also probably detect some expansion that may have been brought about by the fact that the New Democratic Party is in opposition and the hope that in the near future, this government will be ousted from office and that the New Democrats will be back in power, and that that may have also presented an attraction to some to locate in Manitoba, to expand in Manitoba.

And now, I think that the Minister would want to quote us a net figure and he would also want to tell us the number of jobs that were closed down, that died because of the coming into power of the Tory Government; because many have left the province, many have closed down, and I think that this government has to share some of the blame for that. And perhaps the Minister could tell us how many did not come to Manitoba when they discovered on October 11th, 1977, that they were going to be faced with the prospect of living under the Conservative regime for the next couple of years or so. Well, the present predictions are until this fall, thank God, and that there will be a general election this fall in the province according to the information that we get from the Premier's office. And so, there are many that probably did not come because of the presence of the Conservative Government here. —(Interjection)— I'm feeling very well, for the benefit of the Honourable Member for Rock Lake.

I would like to also throw out a suggestion to the Minister for his consideration, get his reaction to it. Now, as the Minister knows, for many many years we've had a Workmen's Compensation Fund, and the purpose of it is to assist the worker in the event that his earning capacity should in some way be jeopardized. Now, I would like to suggest to the Minister and get his response to the motion of having an economic compensation fund. The Minister being a great supporter of competition in the private sector, surely he would want to see our businesses enterprises in a position where they are able to compete with one another. I'm sure that it bothers the Minister to see a business enterprise go belly-up, go down under, go bankrupt. So one way to maintain that state of competition is perhaps a fund could be set up, into which all the competitors in the business sector would pay into, that would assist the businesses enterprise that becomes economically injured; that rather then go bankrupt and be gobbled up by someone else for ten cents on a dollar or whatever, that one could then resort to such a fund as the worker resorts to the Workmen's Compensation Fund for assistance. Similarly, the business enterprise could resort to this fund to help it over the rough spots and get itself back on its feet again and thus continue to compete for the benefit of the people of Manitoba, for the benefit of the enterprise system which is a strong believer in competition.

Because the impression that I have, Mr. Chairman, is that if there is some business enterprise about to go bankrupt, I don't see all the other believers in the competitive system come running to that business concerns aid, come running to its rescue. But rather they stand back and wait until they could get their claws on it and snap it up at a substantially reduced price, at a discount,

whatever it may be. Well, rather than allow that, Mr. Chairman, and thus allow, you know, the continuation of the corporate takeover which we have been talking about; set up a fund that will retain and give the people of Manitoba some greater assurance of a continuation of the competitive state of affairs in the marketplace, rather than develop a state of affairs that leads to bankruptcies, that leads to takeovers, and so on, so forth, and eventually to a monopoly. Because, you know, there are people in the private enterprise system who don't believe in competition. Lord Thompson doesn't like competition, Mr. Weston doesn't like competition, E.P. Taylor doesn't like competition, Rockefeller since Day One never liked competition. Those guys never liked competition; they didn't want to compete. Getty didn't like competition. You know, they buy up, they want to become monopolists, they want to become monopolists, Mr. Chairman.

But as the Minister himself has indicated many a time, that he is a supporter of competition in the private enterprise system, so therefore I would think that he would likely want to look very favourably upon setting up some scheme whereby the competition state of affairs could be maintained in order to enable small businesses to survive, which is the item that we are debating at the present time, Mr. Chairman, for the information of the Honourable Member for Rock Lake, when they have lost sight of where we are in the Estimates. —(Interjection)—

MR. CHAIRMAN: Order please.

MR. HANUSCHAK: That's right. Who kills your friends, the small businessmen.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Well, Mr. Chairman, I don't recall making any statement about what government helped small businesses. I think I could go back over the past Estimates of this department and show that this program has been working the same way for many years. I would only hope that when small businesses are there and need help for expansion, or an owner needs help for expansion, we would be able to do that. And certainly if a small business is having some problems staying above water we would be only too happy to move in and give him all the advice we can to help his efficiencies, etc., to overcome those problems.

I'd like to assure the honourable member that that's our goal and that's what we will continue to be doing regarding the discussions on E.P. Taylor and Weston. I have no comment; I have heard them for four days from the member and I understand what he is trying to get at and I think the Member for Transcona put it in a very much better way in that the problem created by some of the larger companies is one that would create conditions that would hinder small business, and I've said that we have all the statistics and a tremendous amount of material from the calls made to small business that we should be able to come up with some answers and possibly be of more help.

MR. CHAIRMAN: The Honourable Member for Transcona. The Member for Burrows.

MR. HANUSCHAK: Mr. Chairman, I wasn't talking about the success or the lack of success of what the Minister is doing under this appropriation, nor was I talking about the government spending any more money, but in the process of advising the small business and offering small business the sound advice and assistance and counsel that the Minister wishes to take credit for offering small business. I am simply asking the Minister, would the Minister give some consideration to offering to small business some proposal that would enable it to provide itself with some means, with a fund that it could resort to, to keep itself alive, to keep itself competitive. And the example that I would use — the Workmen's Compensation Fund, where the worker pays into a fund and if his earning capacity should be in any way be jeopardized, he can draw upon that fund. And perhaps the small business community should give some thought to setting up a similiar fund that it pay into to keep itself economically alive in the event that it should be faced with a state of affairs where its economic future should in some way be injured or jeopardized.

MR. JOHNSTON: Part of the small business development function is exactly that. We are in the position to provide information and assist small business, small Manitoba companies in their efforts to take advantage of federal programs, DREE, FBDB, IT and C. Support may include cost-sharing of feasibility studies for applications to programs and cost sharing under the CASE councilors. There is no question that if we examine a business that was in trouble and we were able to have a study, which we have the capability of doing, and find the business would be viable after that study, we could certainly then start to direct or assist him possible possibly under one of the small business programs, under Enterprise Manitoba. There is no question that we think it's a good way of working.

We don't have a specific fund at this time but we know of all the programs available.

MR. CHAIRMAN: The Member for Brandon East.

MR. EVANS: If my colleague hasn't got another question at this time I would like to ask one or two questions and make a couple of points. First of all, as I hear the Minister describe this program and indeed some of the other programs, I listen to him almost use the same words that I used over 7 or 8 years because these are all the same programs. Well, I want to congratulate the Minister for carrying on the programs . . .

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Mr. Chairman, I wonder if the honourable member would just let say one thing. I wonder what the honourable member would be saying to me now if we had just thrown this assistance program to small business out the window? I have said, I haven't taken the credit by my government or your government. The program is there, I think it works well because we have an excellent staff working under it and we continue to try to make it go.

MR. EVANS: Well thank you, Mr. Chairman. That's very good and I think that we both recognize there's some value in trying to help the small businessman and businesswoman in this province. But for some of the new members of the Legislature, it may be for their edification that these things have been going on for some years and the same staff. I commend the Minister for carrying on these programs and I would certainly not advocate that he terminate that program by no means. As a matter of fact, if you can improve it somehow, please do so.

There are some concerns I have and I don't really know, as I guess I said the other night, I don't know how this department no matter how well meaning the Minister and the staff may be, no matter how hard they may work, you know there is a limit to how much you can do. You know, if you took a pure laissez-faire point of view you wouldn't do anything. If you really followed Adam Smith you'd stand back and let the system work. You wouldn't try to save the small entrepreneur who is going under because the theory of laissez-faire is that the weak shall go under and the strong shall survive, and that's pure competition. The fact is that this is happening.

We have in the retail sector, in the service sector we see more and more evidence of individually owned, privately owned companies and firms disappearing. They are not able to compete with the larger corporations. We talked about grocery stores, Ma and Pa stores, are not able to compete with the food chains the 7-Eleven, the Macs and so on which are owned by the Weston company and other large food corporations. And it is not only happening in grocery stores, it's happening in shoe stores, it's happening in fast food outlets, it's happening in electronics and we are all familiar with all these various franchise arrangements. What we are seeing is the disappearance, the very rapid disappearance, I would say, of small private enterprise. Not only in Manitoba but in the western industrialized world, we are seeing the disappearance of small private enterprise. And they are not able to compete successfully against the large capital organizations, the organizations that have a lot of capital behind them and have a lot of financial muscle and the evidence is throughout. So that's one problem that small enterprise has. The problem simply of not being able to compete because they just don't have the strength. It's like putting a small army up against the larger army in a sense, or as Tommy Douglas once described laissez-faire free enterprise, you know, every man for himself as the elephant danced among the chicks, every man for himself. Let's be free to all dance together. And the fact is that a lot of these small enterprises there's no way are they going to survive. We've seen the demise of them and we regret that but we are going to see further decline in the future. And it is not peculiar to Manitoba, it's throughout the western industrialized world. So that's one thing.

There is another factor though in Manitoba and particularly in rural Manitoba and that is the declining rural population which has gone on for many years. I'm not saying it has gone on in the last two years, it has gone on for some decades, not only in Manitoba, it's happened in rural Alberta if you would believe it, it's happened in rural Saskatchewan, it's happened in rural Ontario — God knows it's happened in rural North Dakota and South Dakota and Nebraska, it's a phenomenon of course of the changing circumstances in our agriculture industry. The fact that we are more efficient at producing food we don't need all the people to produce a given amount of food in a sense, that's an improvement, it's an increase in economic efficiency which is in a sense a mark of economic progress. On the other hand, what it does mean is that you have seen many small towns in Manitoba and elsewhere, that are suffering virtual demise, in fact we've seen some of them disappear in front of our eyes, and we also see others that are being threatened. I would daresay that many towns that have 500 or fewer people, may not be around in 15 or 20 years from now,

they are simply going to disappear because of the declining population. And that of course is detrimental to the service sector that now exists in those towns. I guess this is one reason why a lot of people get excited about branch line abandonment, because it's just another aspect of this negative force or forces at work in rural Manitoba.

So that's the other thing. One is the fact that it's difficult to compete with a large corporation; the other is the fact that the market is declining, but I say nevertheless we should try to help them. It sounds rather paternalistic, and it's not really when I say we should try to help them. We are not being really true-blue laissez-faire free enterprises here, because if we were we wouldn't do anything. We would say, "Let the marketplace make the decision. Government should stand back and let what will be will be." But the Minister is obviously not being a purist in this and nor were we; I think we recognize such a thing as a mixed economy, and we recognize that there is a role for the government to play to help private enterprise sustain jobs, etc. And we've done that over the years, in fact I was criticized for building up this department. The former Minister of Industry, Mr. Spivak, at one time wanted to cut the budget of the Department of Industry in half, as a matter of fact it is on record, he wanted to cut the department completely in half, he said this is what he would do if he ever became Premier. He was the leader at that time. —(Interjection)— Yes, that's right. He not only said that one year, he said that two years in a row, and I must look it up in Hansard because it's there. That the Department of Industry and Commerce, he maintained, was far too big, we can't do that much for the business sector and we should cut the staff in half, cut the budget in half. And we argued against it and we maintained it, and I'm glad to see that this Minister isn't following the advice of Mr. Spivak.

I'm very pessimistic, I don't really know what we can do. I'm talking particularly about the rural towns. Some you'll win, some you'll lose, and I know there's been some good work. The staff has done some excellent work in helping some of these private companies. The Minister talks about going to a dinner in Morden, and so on. I can tell him I've gone to at least 25 dinners, wrap-up dinners, I think many anyway, many many wrap-up dinners as they call them, wind-ups, whereby you have the business men who participated in these programs get up and tell you — some of them anyway — tell you what they think of it, and make suggestions, but they are usually very laudatory of the staff and the efforts of the department.

What I'm concerned about, and the Minister touched on this a bit, when he talked about the CASE Program, which is a federal program to help small enterprises. What I'm concerned about, and I raised this matter with Gillespie, when he was the Federal Minister of Industry and Commerce a few years ago, and that is, if you will the — I don't know whether I should use the word encroachment — but the growth by the federal government in the field of providing services to small enterprise, and I would maintain that there is at the present time a very serious duplication going on between the federal and provincial authorities, across Canada. Because normally I would say it has been more customary in the past for this type of service to be offered by the provincial departments of Industry and Commerce, and not by the federal government, but in the last five years or so the federal government has come in in spades, and I really believe, in fact they have a Department of Small Business have they not? There is a special department . . . isn't there a Department of Small Business? And I really think that there's a waste here, a waste of money going on, and I think that that is something that the provincial Ministers should get together on and discuss with the federal counterpart. I didn't get anywhere with Gillespie, as I recall. You know, they agree that there shouldn't be duplication, but I am very concerned that there is a waste of the taxpayers' money that is going on because perhaps . . . I'm not arguing against the programs, I'm not arguing against the assistance, I'm saying, "Let's make damn sure that we're not falling over one another where you have two government levels doing the same thing in the same area with the same people." You can dovetail, that's fine, but I suspect that it is not just a matter of dovetail, it's a matter of making sure that there isn't any duplication, and I suspect there is, so I think that is something that is really deserving of the very serious attention of the Minister. If he wants to save the taxpayers of Manitoba money, one way to do it is say to the feds, "Okay, if you want to come in here, you do it. We'll get out of it."

Or, what we've done in the past is say to the federal government, "We in the Provincial Department of Industry and Commerce have the expertise, we're closer to the local business community, you give us the moneys and let us do the job." In fact, that was the approach we took at one time, and I, incidentally, Mr. Chairman, was supported by the other provincial Ministers of Industry and Commerce, or Industrial Development, or whatever they were called. I was supported in that, that the federal government should not duplicate, because they're the newcomers. If they want to give more assistance, let them provide the moneys to the province and let the provincial departments do it. Maybe the Minister would like to comment on that. That's one point.

The other point is, he gave us a number of figures on the small firms that were helped in the

last couple of years, and I'm wondering, and I don't expect that it should be made available immediately so he could take it as notice, whether it's possible to break that out to show how many of those were in the manufacturing and processing end, and how many were in the service end, because a lot of these firms I imagine are service companies? And I think we've always been concerned as to . . . in fact, your own programs differentiate between manufacturing companies and the retail companies and the service type of firms, eh? So, what I would be interested in knowing is whether those number that the Minister read off — how many of those firms in those figures are manufacturers and how many are other, I suppose?

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Well, taking the last one first, Mr. Chairman, the figures I read out of response, provision, to general advice, etc., I would imagine — and I have to say it that way — that many of them were service. As far as breaking them out at the present time, I haven't got the breakout of whether they are manufacturing or service. I read out the response that the small business group had worked with. The small business group does work with both service and manufacturing, and unless the member is speaking about the list he asked us for last Tuesday night, we haven't broken it down by manufacturing or service as to the businesses we help but I imagine it could be done. I guess we would have to go through all the records of calls and decide. We would have to break that out for the member. I can't tell right now, but it is certainly something that we probably have. We certainly know who we called on and the names of the companies we helped; I don't have it hear.

MR. EVANS: Just to help the Minister, if he could just take it as notice and whenever it is available, even if the Estimates are over, you know, he could send it to us because I'm sure the information is available because we have broken it down in other years. You know whether the firm is in the manufacturing and processing business or isn't. That's really what I would be interested in. I am particularly concerned about helping the manufacturer; I'll admit to that bias. But at any rate, if that could be provided some time, it doesn't have to be done today.

MR. JOHNSTON: The member raised something when he first started making his comments regarding big business not being of assistance to small business. I have to say that I can't completely agree with him. I know of a clothing wholesaler in Winnipeg that only supplies smaller business people in the rural area and he has that wholesale available so he can buy in quantities and be sort of the warehouse for several of the clothing merchants. I know of larger companies who have their warehouses and are complete suppliers to grocery chains, etc. The wholesaler generally who carries stock, you could mention some of your large plumbing wholesales, etc., are there to carry stock to supply the smaller people in business because they don't have the capacity or the money to purchase in that way. So there has certainly always been assistance to small business from your larger wholesales, if you want to call it that. The manufacturers in many cases will only — they will go out and make calls on small businesses. I have done it myself. I have made calls on a small business where I had to say that if you were to buy it directly in a small order from me to ship it from the factory in Toronto, the cost would be higher because of two things, it's a smaller order and they are going to have to pay the freight unless they have the quantity involved. I would turn to them and say you would be far better off to place this through your stocking jobber because the jobber is capable of buying a large stock and shipping that material with part of another shipment.

So there certainly is assistance in that form and it's been part of the business makeup for many years. I might say that the member and I have been sort of patting one another on the back about this program. I don't know whether I will be in trouble with my colleagues or not but I might have gone just a bit too far. But the program has been one that has been working. I have the figures here, I would like to give the member, that we broke out for you. I have here: New Jobs and Manufacturing, January to December, 1978, and we have broken it down to small and large just now — January to March 1979 — these are all manufacturing and jobs that our department have been involved with in the respect that we have maybe made the application to DREE, etc., or something of that nature. The staff doesn't take the complete credit of doing it all but certainly worked with other departments and the senior government to try to accomplish those jobs. I would like to point out there was a news release made yesterday by DREE and they mentioned five or six companies that they had just assisted in Manitoba and five out of the six, we had some involvement with it as far as counselling and direction is concerned on what program would be the best for them.

As for dovetailing, I think we are dovetailing pretty well. I mentioned the other night that the

two departments, the federal and provincial in Manitoba work very well together. I wouldn't say for one minute that there isn't some duplication somewhere along the line, but we have been working very well together. Did I answer . . .

MR. EVANS: Partly, yes, but on the last point, I was wondering whether this question of dovetailing and possible duplication, does the Minister have any information as to the degree of duplication? Has this been discussed with some of his Ministerial colleagues? We used to do this. I recall about three or four years ago there was a topic on an agenda for a federal-provincial Ministers of Industry meeting and this one topic was this whole question of possible duplication because of the coming-in of the federal government into the field of helping small enterprises. So I am just wondering, at the policy level, is the provincial government, is the Minister telling the federal government that he and perhaps his colleagues in other provinces, are you still taking that position that the federal government should perhaps get out of this field? I'm talking about the counselling field; I'm not talking about DREE grants, I'm talking about what seems to be an increase in sort of servicing the small enterprise and whether there is any possibility of getting the feds to leave the field to the province.

MR. JOHNSTON: I'm informed that working with the CASE people, we pick up a third of the cost for the rural clients, as far as the councillors are concerned. So on that basis I don't think that we'd be picking up any part of the costs if we weren't involved in it. As far as the Federal government is charging us, we're charging them, because we're working together.

MR. EVANS: Well, as I understand it, the Federal Business Development Bank now has the capacity within it to offer all these services. I think CASE is only one, so the Federal Business Development Bank has expanded its operation and is very active in advertising. So in a sense, it almost looks as though it's competing with this department to assist the small businessman and I don't know whether competition is what is needed in this field, because as I said before, it could lead to a waste of tax dollars.

MR. JOHNSTON: We have something going in Dauphin as the member knows, the Parklands Development Centre, and we're able to really dovetail out of that centre. We incorporate the services of the Federal Business Bank, Industry, Trade and Commerce and DREE and these centres will have the focus of non-stop assistance because, as the member knows, we have businesses in there that we're working with and counselling and we do that counselling. We're able to bring the Federal people in to help us do it, but we have sort of amalgamation or certainly a dovetailing in that respect, and we're planning, as the member knows, under Enterprise Manitoba, to develop two more of those centres.

MR. EVANS: I would just say in conclusion, I would gather then, from the Minister's remarks that he is not concerned — and I'm not trying to put words in his mouth, but I just want to get a clarification — he doesn't believe that there's unnecessary duplication between the federal and provincial staff with regard to assistance to the small enterprises.

MR. JOHNSTON: I wouldn't like to say that there isn't any. I don't think there is unnecessary duplication, but there probably is some. I wouldn't be prepared to say there isn't any, I couldn't guarantee that to the member. I wouldn't know or I don't think my department would know if somebody made a direct request to the federal people and they went out and took care of it without telling us. We wouldn't know, but that usually hasn't been the habit. I think both departments do go into somebody that requests help and they say, "Are you dealing with anybody else?" And we are able to break it down in that respect.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: I don't have the clipping with me, but I came across an article in the paper last fall regarding Agassiz Enterprises — I think it's Agassiz Enterprises, this is the resort development in the Riding Mountain — and it struck me that there was an anomaly in that they mentioned the members of the board and they indicated that one of the staff of the department was a member of the board of Agassiz Enterprises and he was indicated as being a member of the staff. —(Interjection)— Is he the president? Well then what — I don't want to mention the person's name.

MR. JOHNSTON: Yes, he was. He was the president of Agassiz Enterprises.

MR. PARASIUK: In what capacity was he acting as the president of Agassiz Enterprises? As an individual citizen or . . . ?

MR. JOHNSTON: Oh, well certainly as an individual citizen. He wasn't acting in a capacity as the president of that enterprise by direction of the department, or did we put anybody in there to be the manager. He was certainly acting on his own.

MR. PARASIUK: See, that's the confusion that arose, because in the press article it listed this person as being a member of the staff, and I wasn't sure whether that was because the department was involved, or whether the person was acting in an individual capacity. Now that you indicate that the person was acting in an individual capacity, are there any guidelines for staff as to their involvement in private companies on their own which may in fact take up their time when they are full-time staff members of the department?

MR. JOHNSTON: There's a bit of confusion here. I had one nod from somebody that he was with our department, and I know there was the person working with the government that was president. I will check the department, I'll check the department and let the honourable member know. —(Interjection)— It was discussed, if it's the same thing, between the deputy and myself and I can get you the details on it. I don't know that the member wants complete names, but I can get you the details on it.

MR. PARASIUK: I'm not . . . the names, and that's why there was some confusion. My point was the person was mentioned in the press article, it was indicated that he was a member of the department, and I wasn't sure. I could understand the person being on a board as a member of the department, and I can understand the person being on the board as a private citizen. At the same time, if a member of the staff is on the board as a private citizen, I just wonder if there are any rules that exist in that regard, in that it can be a tricky area, and I'm not raising any names, I'm not implying anything. All I want to know is whether in fact rules exist within the department with respect to private entrepreneurial activity by staff members.

MR. JOHNSTON: Could I say to the honourable member, the rules for my department would be the same as the rules, I'm sure, for the whole Civil Service, and if he likes I would certainly find out what the rules are regarding that. I personally see no reason why a person that's a civil servant can't invest in a business, and as an investor of the business, become the president. I have a note to me here. He has been a minority shareholder in the company from the start. His duties in the department are entirely separate from the company's operations, so I can only say that, if we're talking about the same person.

MR. PARASIUK: Mr. Chairperson, that's a sufficient explanation for me. I think that obviously the management of the department looked into the matter. It must have been just a passing concern for them, or a concern of theirs. It was a concern of mine, and I'm glad they've looked into that matter, and I do think that members of the Civil Service obviously should have the same rights that any other citizen in Manitoba enjoys, to the extent that their private activity doesn't interfere with the job that they hold as civil servants, and I really strongly believe that they should be allowed and have the right to carry on that activity, be it private entrepreneurial activity or be it membership in any organization.

MR. CHAIRMAN: (i)(1). The Member for Burrows.

MR. HANUSCHAK: Mr. Chairman, looking at the 1978 annual report, on page 59, I note there's an incentive grant to Southam Business Publications of \$5,738.00. Could the Minister explain the nature of that grant, the purpose of it?

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: I'll have to take it as notice and get the member the information.

MR. HANUSCHAK: What are the general guidelines to qualify for grants that come under this section?

MR. JOHNSTON: I'm informed that what the member is looking at is all of the incentive grants

that were placed under this section. They come under many different programs, let me put it that way, and they total up to a specific grant, but I would have to get for the honourable member the circumstances of that particular grant. I can only say that 115 out of the 152 in the annual report were committed and paid by the previous government.

MR. CHAIRMAN: Order please, gentlemen. In accordance with Rule 19(2), the hour of 4:30 p.m. having arrived, I am interrupting the proceedings of the committee for Private Members' Hour and will return at 8:00 p.m.

SUPPLY — NORTHERN AFFAIRS

MR. CHAIRMAN, Mr. Abe Kovnats (Radisson): I would direct the honourable members' attention to Page 74 of the Main Estimates, Department of Northern Affairs, Resolution No. 100: Executive, (a) Minister's Compensation. The Honourable Minister.

MR. WILLIAM JENKINS (Logan): A point of clarification. It was the understanding of, I believe, the Opposition that the Minister was going to be dealing with the Department of Labour. Has there been some change?

A MEMBER: That's what was announced in the House.

MR. CHAIRMAN: I was advised Northern Affairs but I would . . .

MR. JENKINS: Mr. Chairman, I wonder if the House Leader can clarify this position. That was our understanding that it was the Department of Labour that we were supposed to be dealing with today. If I am wrong, I can be corrected.

MR. CHAIRMAN: The Honourable Government House Leader.

MR. JORGENSEN: Well my understanding was that it was the Department of Northern Affairs that was being considered first.

MR. CHAIRMAN: The Honourable Member for Kildonan.

MR. PETER FOX: In the absence of the House Leader, we discussed this earlier this week, Monday and Tuesday and I spoke to the Honourable Member for Brandon West and we agreed that it would be Labour. Now if that's been changed, we just weren't informed of it.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: Mr. Chairman, I brought my staff in from the north. It was no secret that Northern Affairs was coming as far as I was concerned and the House Leader's concern. Now I don't know if there has been discussion by the members opposite with others on this side but there was never any question in my mind and with the House Leader that it was going to Northern Affairs and then Labour and the Civil Service Commission after that. There was never any question in my mind about that.

MR. CHAIRMAN: The Honourable Member for The Pas.

MR. McBRYDE: Yes, Mr. Chairman, I was involved in the discussions with the House Leader and that is where those discussions took place, however, in terms of what is coming up the Member for Rupertsland and myself will be away tomorrow and we had been told that it was the Department of Labour, so we are not at this time prepared to deal with the Department of Northern Affairs because the government has had indicated that it was the Department of Labour.

MR. CHAIRMAN: I am just the Chairman of the Committee. I was advised that it was Northern Affairs and I would be prepared to proceed on Northern Affairs unless I have some other direction.

The Honourable Member for Churchill.

MR. COWAN: Just for the record, Mr. Chairperson, I think that a perusal of the Hansards over the previous few days will show quite clearly that on numerous occasions in this House, the Minister

of Labour and other members of the Cabinet inferred that Labour would be the next item in the House under the Estimates procedure, and I would just like to make that a matter of record for the moment until we can have time to go back and check through the Hansards for the purpose, my own personal purpose, of assuring myself that my own recollection of the incidents of the previous few days were, indeed, correct. But I do believe that Hansards will show that it has been indicated on numerous occasions that Labour would be the next item to come under Estimates in these Chambers.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: Mr. Chairman, I have no objections to the Member for Churchill or anybody else looking at Hansard. Any time I had made reference to it, I was saying Estimates. I am responsible for Northern Affairs, the Civil Service Commission, Labour and Manpower, and I am prepared to proceed with my Northern Affairs Estimates right now. My staff are in from the north; they have been for a day and a half. It was never a secret. I don't know what the problem is.

MR. CHAIRMAN: Proceed with Northern Affairs. We are on Resolution 100. The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, can we try to reason this out? The Honourable Member for The Pas and the Honourable Member for Rupertsland are both representatives from northern Manitoba who wish to be here during the discussion of Northern Affairs Estimates. Can we agree that we would proceed this afternoon with Northern Affairs, and this evening, without trying to take us too late in the evening, and then not do it tomorrow? Do Labour tomorrow or even the Civil Service Commission, so that the members who are interested in northern Manitoba can be back here on Monday and deal with this department.

Now Mr. Chairman, the Minister appears a little perplexed, but there is a problem. I wasn't here, but the members were expecting to do Labour Estimates. The Minister of Northern Affairs, I think, would appreciate or should appreciate that the MLAs from northern Manitoba would want to be here during the discussion of his Estimates, so if we went today and then didn't go tomorrow, went on Civil Service Commission tomorrow or Labour tomorrow, then we'd go back to the Northern Affairs Department on Monday until it's completed. There are members from the north in the House right now who I'm sure would be discussing Northern Affairs, but I think that there should be an allowance for the fact that they won't be here tomorrow — two out of the five MLAs — (Interjection) — well, I sort of include the Minister as a member from the north.

MR. MacMASTER: I would have thought, Mr. Chairman, that it was the first and utmost responsibility of all elected officials to be in the House when Estimates are being looked at. — (Interjection) —

MR. CHAIRMAN: The Honourable Member for The Pas.

MR. McBRYDE: Mr. Chairman, I'm sorry that we've tried to be reasonable with this Minister, this particular Minister. Mr. Chairman, it was his House Leader, Acting House Leader, that said Labour was coming up next and we made our arrangements around that, and surely that Minister can get it through his thick head that we have made other arrangements because of the instruction from his Acting House Leader.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I want the Minister to be aware that there are other legislative duties than being a member of the Legislature. Some of his backbenchers, last week, had to be in parts of Manitoba that were inundated by flood. I will also say that sometimes other obligations keep a person out of the House. But for the Minister to suggest that there's some default because some members from the north were not going to be here during part of the Labour Estimates is the kind of thing that stops reasonable discussion. I thought I was making a proposal which would deal with the fact that some of the members for the north, for reasons which they have to conscientiously deal with their constituents on, were not going to be here tomorrow. Maybe they were doing something in northern Manitoba which was just as important. If you'll check with your back bench, you'll find that some of the time being a member of the Legislature involves doing something in the area. So I think, Mr. Chairman, that that kind of suggestion is gratuitous and what causes a problem with trying to make a reasonable agreement as to the disposition of business

when members are told they're going to be discussing Labour and Northern Affairs comes up.

MR. CHAIRMAN: I have no guidance except that I have been advised that as Chairman I step down to take the Chair and I was advised Northern Affairs, unless we can come to mutual agreement, I would suggest that Northern Affairs is the one to be discussed. The Honourable Minister.

MR. MacMASTER: I'll line up some of my Civil Service Commission people and I hope I'll get to somebody right after this particular presentation, which I assume will end at 4:30. I'll line up some Civil Service people and get them in — at supertime or something, and get them together for tomorrow for whatever time there is for Estimates tomorrow and we'll jump from the one to the other and Monday we'll go back to Northern Affairs.

MR. CHAIRMAN: The item under discussion is Resolution 100, 1.(a) Minister's Compensation. The Honourable Minister.

MR. MacMASTER: Well, Mr. Chairman, before I start, I suppose I've learned another lesson of the House, that what I should have done is talk to the Honourable Member for Rupertsland, regardless of the fact that there are House Leaders. I should talk to him because I understand, I've never been officially told, but he is the official critic on the Opposition, and possibly what I should have done is talk to him and made him aware that this was coming up, but I really didn't think that it was ever a secret.

It's my pleasure to present the 1979-80 Estimates for the Department of Northern Affairs. I'd like to acknowledge the effort of my staff that was required in the preparation of the Estimates. In addition, I'd like to acknowledge their excellent service during the past year in delivering programs to those citizens in Northern Affairs' jurisdiction of Manitoba.

To avoid any confusion as I proceed to present the Estimates, I wish to identify a particular feature of this year's Estimates. As I proceed, you will note in a number of items reference will be made to Canada-Manitoba Northlands Shared Cost Programs and the ARDA Program. In these situations, only 85 percent of the dollars to be spent are shown on the Estimates. The remaining 15 percent is provided in the Canada Enabling Vote Resolution 109, which will be presented to this House later this session.

In presenting to you the Estimates, I would like to advise the honourable members that the Estimates provided for the year ending March 31st, 1979 were presented as the Department of Northern Affairs, Renewable Resources and Transportation Services. For the year ending March 31, 1980, the Estimates are those for the Department of Northern Affairs as reorganized and approved by Cabinet.

I would like to briefly refer to the reorganization that took place last fall, that saw a number of functions transferred to other departments and to those transferred into Northern Affairs. I would advise that all services provided by the previous Department of Northern Affairs, Renewable Resources and Transportation Services continued to be provided by either Northern Affairs or the departments to which the various functions were transferred. My Department of Northern Affairs has been restructured to ensure that the duplication of services prevalent in the past has been removed. Evidence of this has been the transfer of the engineering and construction function, the provision of air and marine services and the operation of winter roads to the Department of Highways and Transportation.

The combination of manpower related activities has been centred with those from other departments in the Department of Labour and Manpower. Functions related to the responsible management of Manitoba's natural resources, fisheries, forest, wildlife and lands have become part of the Department of Mines, Natural Resources and Environment, joining the other responsibilities related to minerals, waters, parks and the health of the environment. It becomes obvious that realistic unions of related activities have occurred to deliver better services to northern Manitobans at costs that can be viewed as reasonable and proper. To ensure that the department's decision-making responsibility is appropriately located, the office of the Deputy Minister has been established in the north. This is the first time, to my knowledge, a Deputy has been based outside of Winnipeg.

The functions that are now within the Department of Northern Affairs have been structured to address the needs of the effective communication within the community residents, clear and reasonable funding of their needs, provision of necessary services such as safe drinking water, protective services including fire prevention and protective and responsible management of the Canada-Manitoba Northlands Agreement, the Northern Flood Agreement, and the Special ARDA Agreement. In addition, the departmental administration has been placed in the north.

The communication needs of the remote communities were confused in the past by the parade

of up to half a dozen staff members from different divisions descending in repeated succession upon the residents. This led to a confusion of the local committees and councils as to who delivered what. The possibility of misunderstanding and actual activities that were at cross purposes was too great. A field staff has now been organized that will operate such as they have one staff person as the departmental contact with the community. This means it is clear who should be contacted when concerns arise. There is no longer the question of who the council should call; it is clear that one person should be contacted. The field person will ensure that appropriate action is taken and that follow-up occurs. In most cases, a field officer will have two to five communities to which his or her attention can be devoted. A clear focal point is provided. The close and continuing contact will ensure fast and intensive communication between my department and those it serves.

Skilled staff are required. An intensive staff training program is under way to be certain that committees and councils can receive the support, understanding and instruction needed to develop the self-governing requirements that fit the individual needs of the area.

The response by communities to having a one-contact approach has been very positive. The communication line is firmly established with the department and the needs can be addressed by those competent to do so. The provision of essential community physical facilities is being undertaken by the establishment of a small, skilled, technical group. This group is available to communities through the one-contact field officer I have described.

The operation of a safe drinking water source had been haphazard. It will take this next year to complete the remedial work started in early 1978. The major deficiencies in design and construction are being rectified at what has become a major cost. A thorough, regular inspection program is now in place as well as a system for reporting the day-to-day operation of each water supply facility. Training for those in the communities responsible for the operation of the systems is occurring, utilizing facilities of the Water Supply Board. In addition, an adequate supply of repair parts will be located at the four regional offices in Selkirk, The Pas, Dauphin and Thompson. The combination of regular inspection and maintenance schedules, trained operators, remedy deficiencies in design and installation. Adequate spare parts, stock and skilled field staff will lead to a system that will operate with less down time and lower costs.

My department has specific concerns related to protective services. Advantage is being taken at the Fire Training School operated by the First Commissioner's office. Community people will receive training to ensure the proper use of equipment in their areas, as well as the preventative action needed to reduce the incidents of fire. We will be providing appropriate facilities to house and protect equipment. Co-ordination with other departments and agencies is occurring to reduce duplication and at the same time leading to substantially raising the level of fire protection in communities. Improvements required related to community buildings is and will continue to occur to bring up to standard those facilities identified as a problem by the Fire Inspection staff. This includes such items as wiring, lighting, and fire exists.

During this winter, gravel is being stockpiled in a number of communities to provide reasonable roads. This is a major task as the number of internal roads built in the past are, or are almost impassable in spring and fall. Over the next few years, efforts will be given to raise road standards and maintain them.

The Community Constable Program is continuing and the provision of facilities to improve protection to individuals and the communities are being designed.

Many areas of community that are the responsibility of the Department of Northern Affairs requires an improvement. Funding will continue to be a major consideration. Improvements must be in those areas as prioritized by the local people at a pace they desire and in those areas that they identify. We have much evidence of too much too soon. Departmental staff have been meeting with committees and councils and are entering into cost-sharing arrangements for capital facilities in a number of areas. This is being supportive of what local residents want. No fixed formula is established. Each situation is considered on its merits and availability of provincial funds. Those communities are given responsibilities for establishing their needs as well as for being a necessary part of determining funding. In addition, the long-term operating cost must be recognized.

An Agreements Management Division is responsible for the management and co-ordination of programming and funding as defined by the Canada-Manitoba Northlands Agreement and the Special ARDA Agreement. True co-ordination of various departments' programs to the north will occur as one-place review is now made to ensure that programs eligible for cost-sharing and relevant to the needs of northern Manitoba are undertaken. It is appropriate to have the department's administration located in the north to better reflect and react to northern needs. The Department of Northern Affairs is now truly a northern department addressing northern concerns in response to community identified needs.

MR. CHAIRMAN: (b) Salaries and Wages—pass — the Honourable Member for The Pas.

MR. McBRIDE: Mr. Chairman, I thank the Honourable Minister for his comments on what's left of this department and his explanation of what's left of this department. As we proceed through these Estimates, we would like to have from him some detail in terms of the staffing, the staff man years that there were two years ago and the staff man years last year, and the staff man years that are projected for this year, but more important than that, Mr. Chairman, is the actual number of filled positions and the change in the actual number of people involved.

Also, Mr. Chairman, we would like, from the Minister, to get his staff to give us some breakdown in terms of the Northland dollars over the last number of years, that is, what has been the change in the dollars coming into Manitoba from the federal government over the last number of years since the change in government.

Mr. Chairman, the one aspect, I suppose, that the Minister was wanting to put across was the idea that somehow there was a change in location of the department. Mr. Chairman, you would have to stretch things quite a long way to come to that kind of conclusion, because the majority of staff of this department have always been located within the region it served and the staff has always reflected the nature of the communities that were served. There were, Mr. Chairman, a majority of the Assistant Deputy Ministers located in northern Manitoba but, Mr. Chairman, the difference is in terms of the decision-making power that existed within northern Manitoba and that has existed in the past and the Minister is indicating to us now that it still exists at this time.

The other approach that the Minister seems to feel is a beneficial situation was what he calls the elimination of some confusion and, Mr. Chairman, if you do cut most of your programs, then of course it is less confusing because there are less programs available to give people the opportunity to use them. So the Minister has in fact succeeded in cutting programs and, Mr. Chairman, he succeeded in doing that here in Winnipeg; he didn't succeed that by discussing it with the people in communities. They did succeed here in Winnipeg of cutting programs and, Mr. Chairman, you have to give him full credit; he deserves the credit for that particular action that he has undertaken.

But what we have now, Mr. Chairman, that the Minister seems to be very proud of is the old Indian agent approach, one person with whom each community can deal with and, Mr. Chairman, the concept would not be a bad concept if in fact, Mr. Chairman, the person designated to deal with the communities was in fact an advisor to the communities, a consultant to the communities, someone to assist the communities. But, Mr. Chairman, what we have is really the old Indian agent approach. What we have, Mr. Chairman, is a return to decision-making by the bureaucrats in northern Manitoba, and I don't think it matters very much to the people living in remote communities whether the decisions that have been taken away from them and returned to the bureaucracy, whether that bureaucrat is in Thompson or Winnipeg, because those decisions used to be made at the community level by the elected representatives in the community. But now, Mr. Chairman, over the past year-and-a-half, the decision-making authority of the community councils has been eroded until today we have a situation where there is almost no authority left at the community council level.

Mr. Chairman, over the last number of months I have only had the opportunity to talk with five councils and five mayors and, Mr. Chairman, I did not lead off the discussion with them. I asked them, "What's happening? How are things going? How is your council working? What's happening in your community?" And the response was, Mr. Chairman, that, "We have no authority left at our council." One of the mayor's response was, "We almost resigned a couple of months ago, all of us, because we have no use anymore; we have no function. The decisions are being made by the bureaucrats and we're not sure where, whether the decisions are being made in Thompson or Winnipeg, but we do know that we are no longer making the decisions here in the community."

So, Mr. Chairman, that is where things have got to and that is the direction that the Minister has taken, that's the direction that the Minister's staff has taken, and the communities are aware of that decision; they see it on a day-to-day operational basis.

There is a problem, Mr. Chairman, in terms of how effective councils can be because what has happened is that in a number of administrative matters when the elected community council and their staff in those cases where they do have a staff person, where they have been able to take a program and deliver it at less cost than was estimated when the department made a grant to the council, those funds are now being recalled by the department. So what you're having is that the efficient effective managers, those councils that have demonstrated their ability to manage with advice only, not with control being outside the community, and have demonstrated their ability to do it effectively, are now in a situation where they are saying, "Well, why bother, why bother to try and be more effective, more efficient, why bother to save money, why bother to restrain our spending on that program, because the moment we do that, the department recalls the money." And therefore, the attitude now is, "We'll just spend all the money that the department gives to

the purpose they assigned it because you're just going to lose it anyway." And, Mr. Chairman, that is a built-in system to teach people to be poor managers; that is a built-in system to return people to the welfare psychology that existed in the past when we've had Conservative governments in office. And, Mr. Chairman, that is an unfortunate situation. I was unable to find a council or mayors that did not feel that that is what has happened to them over the last year.

So what we have, Mr. Chairman, as opposed as too much too soon, is basically a return in northern Manitoba to the old system. And the old system, Mr. Chairman, was basically a colonial system where things were done to the community, supposedly for that community's benefit, and the community sat back and watched what was going on.

Through a considerable effort and, Mr. Chairman, through a considerable number of staff — I'll admit to the Minister there was a considerable number of staff required — communities were assisted to get to the stage to build up their confidence, to build up their ability, to build up their understanding, so they could get to the stage where they could in fact run their own community. Mr. Chairman, that seems to me to be the effective way to proceed, even if, through the government's change in priorities, there is less funds available for that community, it's still in my mind more effective for that community to figure out how to spend the less funds that are available because, Mr. Chairman, they have never been over-funded. The communities have never been over-funded, so they have had to determine their priorities before. They've had to say whether the road was more important, whether the garbage pick-up was more important, whether the water system was more important; they had to determine at the local level and set their priorities.

And, Mr. Chairman, if there is a reduction in dollars available, then it's even more crucial in my mind that they set the priorities because they know how often they can afford not to pick up garbage and what's going to happen in their community. They know it better than somebody sitting in Winnipeg or Thompson, Mr. Chairman. They know better whether they can afford to have the road impassable for a couple of weeks and use that gravel money to do other things in their community. They are the ones that know the local situation, Mr. Chairman, and what has happened now is that that kind of responsibility has been withdrawn from them at a time that they can least afford to have it withdrawn.

It's the same situation with many of the policies or programs of this government, is that when you stop a process that's in action, and start sending it backwards, when you start moving backwards, when you start taking the control away from the local people and giving it back to the bureaucrats, then to get the process going again, is very difficult and it's going to require more funds and more people. Mr. Chairman, it's not as if you could move that developmental process along, stop it for four years until the government is thrown out and then start it again. Mr. Chairman, you lose the momentum, you lose a lot of years of that progress. You lose the attitude — well, what's the use, why should we go through all this training, why should we go through these council elections, why should we go through all this stuff if we're going to lose it again anyway? I guess you could say that the communities are like a jack-in-the-box and when they pop up in a developmental way to do things for themselves, this government shuts the lid down again and pretty soon they are going to be less enthusiastic after having had the lid slammed on their head over and over again about trying to pop

up. Mr. Chairman, that is the direction that this Minister is taking us in and that is an unfortunate development for the communities concerned. So whereas in the past the communities, most of them, had reached a state where they could run their own affairs — and, Mr. Chairman, there was not a perfect situation — a number of communities were still not able to govern their own affairs without outside intervention, without close watch being kept. And, Mr. Chairman, I saw that as part of a learning process, that if people have not had the responsibility before, they have not had that kind of authority and the responsibility that goes with it, that there are going to be some mistakes made, Mr. Chairman, and that there are going to be funds misused. Mr. Chairman, when that occurred, then action was taken to only let that community operate at the level which it had proven its effectiveness.

Mr. Chairman, what I'm concerned about is all those communities that did demonstrate their effectiveness to govern their own communities, to provide their own local government. Mr. Chairman, those are the communities that are most discouraged at this point in time because they know they can do it, they have done it, and now that responsibility, that authority is being taken away from them by people who think they can do it better even though they are not as familiar with the communities. And whether they be in Winnipeg or Thompson doesn't make much difference to the people in the communities when they are losing an opportunity to govern themselves, when they are losing that important ability to use the limited funds in the way that they know as elected people in their communities are most effective for their communities.

Mr. Chairman, I don't think there was much of a question that that had been established in the majority of communities and most of those communities were moving on to the next step in

terms of building up their economic base, of getting into economic development and employment because, Mr. Chairman, even with the local control of their municipal affairs, of their local government affairs, that was still limited unless there was the opportunity there in terms of economic development.

So, Mr. Chairman, what has happened in the last year and a half is that most of that opportunity for economic development has been taken away and now, Mr. Chairman, we see most of the authority for people being able to run their own affairs being taken away. Mr. Chairman, I'm sure that on paper it looks good, that a bureaucrat can sit in the office and say all the councils are spending X dollars for roads, all the councils are spending X dollars for garbage pickup, all the councils are spending X dollars for this, and it's neat and tidy. But, Mr. Chairman, in terms of people being able to control their own lives, of people being able to set the priorities in their communities, it's not effective. It's just not an effective way to proceed; it's not an efficient way to proceed. It in fact teaches communities bad management. It teaches them bad administration. It teaches them that all government programs are welfare programs, and get as much out of them as you can without regard for how you do it, without regard for how you spend those moneys. Mr. Chairman, that was the regrettable thing I saw in a couple of communities, that attitude on the part of councillors who had said in the past, okay, we've got so much money, we have to make sure we get the best for our money out of that, now saying, well the heck with it, there's \$10,000 for that program, spend \$10,000, it doesn't matter because if we don't spend it, they'll take it back again and we can't use it for the other priority if we are able to save some on that program or extend or expand the program.

So, Mr. Chairman, that is the sad reality of what is taking place. I don't know if the Minister realizes that is what has happened, whether he has been getting that kind of feedback. Mr. Chairman, I haven't been able to get to all the communities. Of the five that I have talked to, I think four of them were in a situation where they had proven their ability to manage their own affairs; the other one in my mind was more questionable and probably needed some fairly firm direction and guidelines from the department. But, Mr. Chairman, of the ones that I have been able to talk with, that was the unanimous feedback that I have been getting from the community councils and from the mayor and councillors.

So, Mr. Chairman, rather than it being a case of the Minister says, "too much, too soon," I don't know quite how to handle that particular argument — too much, too soon — because the approach that was attempted to be taken was that communities could move towards self-control as quickly as they were capable of. In fact, the Act builds into how the community can change its authority, how the community can change its responsibility from going to a community committee to a community council to an incorporated community council, Mr. Chairman. But there was — and I admit to the Minister again — there was a need for a lot of input at that particular stage. The input was becoming somewhat less because the councils were accepting that responsibility; the councillors did have the training and the council clerks had the training and other council staff had the training. So, Mr. Chairman, there was a de-emphasis on the need for the backup services for councils and that emphasis was being put on the backup support for economic development, the backup support for job creation.

So rather than it being a case of too much too soon, it was a case of the system attempting to keep up with the communities and to be able to assist the communities to move at their own pace and their own rate. What we have returned to, Mr. Chairman, is basically a rigid, bureaucratic and colonialistic, a dictatorship of what's happening in the remote northern communities. Mr. Chairman, it is very disappointing to me that communities that have progressed so rapidly could revert to that state in just a year and a half. Mr. Chairman, I guess it's happened just by the systematic withdrawal of responsibility from from communities that were able to live up to that particular responsibility.

So, Mr. Chairman, that's the nub of the matter in terms of what's left within this particular department. The other aspect of it, the co-ordination of the Northlands Agreement, it is important for us to have an idea of the overall figures, Mr. Chairman, because my recollection of the situation was, and our understanding was with the federal government, that the Department of Regional Economic Expansion, which funded the Manitoba Northlands Agreement and other provincial agreements, allocated to the Province of Manitoba certain amounts. They would say, there are so many dollars available for Manitoba and the provincial government would negotiate in terms of how those particular funds would be allocated, Mr. Chairman, and the major thrust and the major emphasis was the Manitoba Northlands Agreement, was providing funds for northern development. Mr. Chairman, I can only guess now that general allocation to Manitoba is being allocated to other priorities, that is, northern Manitoba is a lower priority and the business development agreement or the tourist agreement now become a greater priority of this government. Mr. Chairman, that is the option of the government, to change its priorities, and we have seen the government do

that, but I think that they have to be a little more direct in letting people know what's happening, that the priorities have changed and that the priority for northern Manitoba is lower now than it was in the past and that's just sort of straight, simple, direct honesty to make people aware of that situation.

So, Mr. Chairman, those are my general comments of the department. I think the Minister took note of the staff man year questions and the Northlands Agreement and the Special ARDA funding agreements, the information that we would like on that aspect.

MR. CHAIRMAN: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you, Mr. Chairman. I have a few general comments to make as well on this item. Following the remarks of the Honourable Member for The Pas, I must say my observations and from my discussions with communities in my constituency and others that I talked to in northern Manitoba, bear out what the Honourable Member for The Pas has said in that communities certainly feel that they are facing a reduced level of services from the Department of Northern Affairs, that less attention is being paid to their concerns and their problems and their priorities by the Department of Northern Affairs; and as a consequence of this lack of attention and also because of the new attitude which is being displayed by the Progressive Conservative Government of controlling things by the bureaucrats rather than making it possible for the community councils to grow in their own local decision-making process, the morale in the communities has certainly dropped and the morale in some communities, as the Honourable Member for The Pas has pointed out, has dropped to the point where some of them wonder whether or not it is worth participating any more in the local community council because of the lack of effective action that they can take as a council for their community. They are under considerable pressure at the local level because of the many problems that the communities have to face in the areas of unemployment, in the areas of local development and, Mr. Chairman, when they are not backed up by the provincial government which has been the creator of the community councils in the first place under the New Democratic Party government, when they are not backed up by the provincial government, Mr. Chairman, they face a very disgruntled and dissatisfied community that they are not able to respond to very effectively because of that lack of support.

So, Mr. Chairman, I believe that rather than going forward and developing and growing as community councils, most of the community councils, because of this process of lack of attention, lack of support, are tending to either stay at the same level they were or in fact slip back to a lower level of effectiveness at the local level. Mr. Chairman, in addition to this lack of attention to northern problems and the lower priority which the Conservative Government has put on northern concerns, northern programs, Mr. Chairman, there has been a process of intimidation by the Progressive Conservative Government towards communities in northern Manitoba, a process of intimidation that I believe makes it more difficult for the communities to approach the government and really put their concerns forward, Mr. Chairman.

The communities have watched with dismay the cutbacks in various programs of the Progressive Conservative Government that relate to Manitoba, not only in the Department of Northern Affairs but in the Department of Resources which we completed here some weeks ago, the Estimates of which do not now include any funds for any resource development thrust to assist the communities to develop their resources, to develop their local economy to provide as many jobs as possible based on the development of those resources. Mr. Chairman, just the simple fact that the Progressive Conservative government has reduced Northern Affairs to a status of being an ancillary to the Department of Labour is revealing when you consider the Conservative attitude towards the north. I mean now the government no longer has a Minister, who is primarily responsible for the Department of Northern Affairs, but they have the Minister of Labour responsible for the Department of Northern Affairs. And, Mr. Chairman, that is a slip backwards, because it is a very demanding ministerial job I would think to be Minister of Northern Affairs, if you're going to be doing a proper job dealing with the northern communities. It's a developmental role to be a Minister of Northern Affairs and, Mr. Chairman, one cannot be in a developmental role as a Minister and have the heavy responsibilities of another department on his shoulders like the Department of Labour.

Mr. Chairman, the Department of Labour is one of the heaviest departments in governments with many concerns. Most of the questions that have been raised in this session, for example, many of the questions that have been raised in this session have related to the Department of Labour. Problems in industry, problems of lead, problems of job safety, problems of industrial strife, all of the things that concern a Minister and take his attention and his work, provide the majority of this Minister's workload. So, Mr. Chairman, the opportunity this Minister has to really focus his attention on the problems of northern Manitoba is really very limited. The time he would have is really only a very small portion of the time he has available, so that, Mr. Chairman, the consequence

of that is that even though this Minister, even if he was concerned about the problems in northern Manitoba, would have a very limited time to deal with them because of his other responsibilities. And I believe this reveals the Conservative government's attitude to Northern Affairs generally. They just do not put a priority on the concerns in northern Manitoba. They simply do not see that the concerns of northern people, remote community people in particular, as being their concerns.

Mr. Chairman, it's revealing when you look at the areas in which cutbacks have occurred. In the Department of Resources, we saw the areas that were cut back were those areas dealing with resource development, which would have given communities the opportunity to develop jobs at the local level, provide some opportunity for people to be productive, to provide for them the opportunity to work rather than to exist on the avails of welfare or unemployment insurance. Mr. Chairman, it's a sad reflection on this government that they have cut back in all of those areas, which would have given communities that opportunity to move forward in that area of economic and resource development.

In fact, as we look through these Estimates, Mr. Chairman, we see that this department has been reduced to nothing more really, than a municipal affairs department. It no longer has that economic and employment and resource thrust that was available under the New Democratic administration. We look at the administrative support, local government development, the municipal government support and so on, with a few funds in the Agreements, Management and Co-ordination and so on, Acquisition/Construction of Physical Assets — most of which is related to the municipal function of Northern Affairs. And, Mr. Chairman, this seems to be the area in which this government wants to place its priorities, even within this department. And while those things are very necessary and very useful, and very much needed in northern communities, the other side of the coin, the development of the communities, the total development of the communities — to develop the people resource, to develop the natural resources, to develop the business life in the community, the service industries in the community, these are all functions that are very necessary as well. And the other government departments are simply not providing these services.

This government has the attitude, I believe, that they can farm off these functions to other branches and other departments and say, well, that's your job, that's Economic Development's job, that's Health and Social Development's job, that's Resources' job or whatever. But Mr. Chairman, the experience over the years has been that those government departments do not see northern Manitoba as a very high priority, and that was the reason in the first place, that the New Democratic Party government created a Department of Northern Affairs, which had as its primary responsibility the delivery of services, the delivery of all of those things that were not being properly delivered by other government departments. And to go back now, after we have seen that that system doesn't work, of allowing the government departments to provide the services directly, the Progressive Conservative government seems to be destined to repeat the failures of the past, to go back and try to have the Department of Agriculture deliver something in the north to assist in local gardening projects or whatever. Well, Mr. Chairman, that has never worked in the past unless it's a special high priority of a department like the Department of Northern Affairs, it simply will not work.

The Department of Economic Development — I know I questioned the Minister last session in the Legislature about what he was going to do in northern Manitoba, that is the Minister of Industry and Commerce at that time. He didn't have a clue, Mr. Chairman, he had something in there that was — he said, well, the people in northern Manitoba would get equally as much attention as other people in Manitoba. Well, Mr. Chairman, we know that that doesn't happen, we know that the big businesses, we know that the entrepreneurial talent in southern Manitoba is equipped to be able to get out of government those services that they require. They are able to negotiate to approach government, to seek and find those services that they require. But, Mr. Chairman, the northern communities are not at that stage where they know how to approach government to get those services which they require to assist them in the establishment of service industries or resource based industries, or just general economic development of their community. They just do not have that skill, that entrepreneurial skill, developed to that stage yet.

So, Mr. Chairman, what this government is doing is abandoning those people, just absolutely leaving them out in the cold as far as those services are concerned. And, Mr. Chairman, I mentioned there has been a process of intimidation by this government to let communities know that they had better not complain, they'd better not raise too much fuss, because if they do things will get even worse. And that has been the impression that has been left by this government in the northern communities and with northern associations with northern groups. They have left the impression that "you haven't seen anything yet, that if there are going to be a lot of complaints coming on, well, we'll just do some more slashing", and the communities, Mr. Chairman, are at the mercy of this government in that respect. They don't know what the next move is going to be, when the next shoe is going to fall, and I can just give you a couple of examples of that intimidation process. And this Minister is directly and personally involved in that intimidation process. Mr. Chairman, it

even went so far as — one report I received, is that a group from one of the universities in Manitoba here went to Thompson to put together a workshop for the Chamber of Commerce, and it sounded innocent enough. I mean, what could be more along the Conservative lines than to set up a nice workshop and discuss how to be more effective and how to be more effective in their approach to government, I believe it was, and how they could obtain more services through effective lobbying action and so on.

Well, Mr. Chairman, while that group was in Thompson, they received a call from the President of that university, saying, "You better get out of there, you better leave town, you better come back," because we have heard from the Minister's office that he doesn't want you up there, he doesn't want you carrying on this kind of a function. And Mr. Chairman, the report I had was that the Minister didn't want a group stirring up, as he called it, stirring up trouble I believe it was. He didn't want a group showing people how to be more effective in lobbying with government.

And another example that came up, Mr. Chairman, was with respect to the Northern Flood group. Apparently they negotiated and were discussing the employment of a certain individual, who used to work for the Department of Northern Affairs. I don't believe this individual was a New Democrat, but I mean the Conservative government in Manitoba must have assumed he was, or been afraid he was, or been afraid after he was released from the Conservative administration that he would now be a New Democrat. In any case, Mr. Chairman, this Northern Flood group was desirous of hiring this individual to assist them in interpreting the Northern Flood Agreement. Sounds innocent enough, Mr. Chairman, to help them to better understand what the Northern Flood Agreement was all about. And Mr. Chairman, here again this Minister intervened and made it known that he would not co-operate with this Northern Flood group, the Manitoba government would not co-operate with this Northern Flood group if they had that individual working for them. Well, Mr. Chairman, that's a pretty sad state of affairs, and that's a form of intimidation that is going on by the Progressive Conservative government in Manitoba. It's a pretty sad state of affairs when an individual is not free to seek employment in the province of Manitoba, and a group is not free to hire who they want to do the kind of work that needs to be done.

Mr. Chairman, where is this free Manitoba we heard about in the fall of 1977? The northern communities know where it is, Mr. Chairman, it's gone. It's flown the coop so to speak, because there's no longer an attitude of freedom as far as the northern communities are concerned. There's an attitude of intimidation, there's an attitude of fear, there's an attitude of despair that has been created by this government. Mr. Chairman, it's a sad state of affairs and certainly not making the future of Manitoba look very bright. And when we look through this department, Mr. Chairman, and we can go through it line by line and find out where there have been cuts and where there are now some services still being provided, but Mr. Chairman, it will not change that attitude that this government has left in northern Manitoba. It will not change the morale situation as far as the northern communities are concerned. This department can assist in providing local government services, municipal services, which are necessary and needed as I mentioned before.

But Mr. Chairman, the key essential elements that should go along with that are missing from this department. They're missing from this government, because no other department is providing those services, and the saddest thing about it, Mr. Chairman, is that because of this attitude of being the big bosses, and I believe it reflects down to the bureaucratic level as well when the bureaucratic people in the department get the feeling that, yes, the government is backing them to be bosses, they are going to be bosses as far as the communities are concerned too. They're going to go into the communities and they're going to say, "This is the way things are going to go from now on, no more of this negotiating back and forth, as to what will happen in your community. This is the law." And, Mr. Chairman, that's the way it used to be in northern Manitoba. We thought we had merged out of that colonial era but, Mr. Chairman, it seems that the clock can be turned back very quickly, and this government is doing that, it's turning that clock back.

MR. CHAIRMAN: (d)—pass — the Honourable Minister.

MR. MacMASTER: Well, just a couple of comments, Mr. Chairman, before we get into the specific Estimates. The Member for The Pas tries to suggest that there was somebody that represented the authority of Deputy Minister in northern Manitoba, and I think he knows that's not correct. There is some suggestion that communities are talking about or thinking about reverting back or throwing up their arms and getting out. To the best of my recollection, there were three communities in 1977 that the department ending up taking over because of problems. In 1978, I believe there was one, and so far this year, I think all members would share my hope that there is none during this year but there certainly hasn't been up to date. The Member for Rupertsland is aware that we have made a fairly concentrated effort to get a particular community, and I believe it is within his

try to get it back on track. I don't think he will find there was any intimidation or fear or despair exercised by our staff when we made those particular efforts.

In relationship, just a quick comment that people now say, if we've got \$10,000, we had better blow it. I think that people generally respect the idea that if you can do something a little more efficiently, it's the way you should be doing it. The only specific programs that I know of where X amount of money might not go into something else within a community at their discretion would be if you are talking about a clerk's salary, a constable's salary or these types of things. There is a latitude permitted, allowed, encouraged within the communities to sort out their priorities. Now, if the members wish to send me a piece of paper or write a letter sometime spelling out specific instances where communities could not reallocate within their general operating budget, could not pick out their priorities, we have examples in the last year where they have so done that. They have found that something had priority over something else and our people worked with them. I think that's a role they were trying to play. But if there are specifics, then I would be quite pleased to hear from the members opposite. More specifically, I would like it written so our staff can check it out. I don't believe, and again I would like some instances written down, documented by members opposite or any other citizen, be it the councils or the Chiefs or whatever, within the communities where our people are striking fear into their hearts or intimidating. I'm certainly not going to accept that. I appreciate what the members opposite say, that if this is happening it should not happen and I'm quite prepared and quite willing and damn well quite eager to have a look if that type of thing is being related to the people in the communities.

MR. McBRYDE: Mr. Chairman, the point that I wanted to make that the Minister would still dispute in terms of where the essence or the control or the decision-making in the department took place, Mr. Chairman, that real decision-making took place more in northern Manitoba than it does now. Mr. Chairman, in the past there were three ADMs located in northern Manitoba. The executive meetings changed from location to location, but more importantly, Mr. Chairman, was the authority, the decision-making that took place in the communities as opposed to that that took place by civil servants at whatever level they happen to be.

But, Mr. Chairman, what we have now under the Department of Northern Affairs is getting back, with the exception of the Agreements Management Co-ordination which is mostly done in Winnipeg, Mr. Chairman, is basically returned to what used to be the Commissioner of Northern Affairs. Mr. Chairman, the government would probably be more honest with people if they did revert, if they said there is no longer a Department of Northern Affairs, this is basically a Commission of Northern Affairs and we have a Minister of Labour who has the additional responsibility as Commissioner of Northern Affairs, because that would be the practical reality of what exists.

Mr. Chairman, when there was a Commissioner of Northern Affairs, there was a Deputy Commissioner in Northern Manitoba. However, at that time, the Deputy Commissioner of Northern Affairs was colonialistic in his whole approach to the communities. But that would be another reason, Mr. Chairman, to revert back to Commissioner of Northern Affairs because it reflects also the attitude, and that's what my colleague was talking about, the attitude that exists now with this government is the attitude of the people. Whether there is a person in Thompson or whether the person is in Winnipeg, if that attitude is, I know best and I'm going to decide what happens in this community, then, Mr. Chairman, it doesn't make much difference where they are located. That's the kind of attitude that northern residents have been fighting for 100 years and that's the kind of attitude that they have gone back to.

Mr. Chairman, I'm not going to hammer the Minister as much as last year because the Minister's response is, well, like the communities aren't saying that much, so it appears that myself and my colleagues are the only ones that are critical of what's happening. We know that's not the case because we have had the opportunity to talk to the people in northern Manitoba. We know what their attitude is now, what their feeling is in terms of what has happened in the last year and a half and what has happened to their authority. But, Mr. Chairman, they are the ones who have to speak out for themselves. They are the ones who have to let this Minister know and let this government know and let the people of Manitoba know what is happening to them.

So, Mr. Chairman, I am now, when I talk to them, asking them, well, what are you going to do about this situation? Because we have brought this up before in the Legislature; a number of the northern MLAs have brought this situation up in the Legislature but nothing has happened. So it is up to you at the community level to start fighting at least to keep things as they are so things don't regress and hopefully to continue to try to improve things and have them continue to improve in the communities.

Mr. Chairman, in my earlier comments, I did forget to mention this fear that exists in the communities and there is the fear that we are getting very little. What we are getting though is on our cap in hand, on our knees basis to the civil servants we have to deal with, or to the Minister

or to the government. We are afraid that what little we do have we will lose: that that money can simply be allocated, since we no longer have a clear understanding of how the money is allocated that money can be taken from us and given to the other community over there, the other community that talks nicely to the Minister can get those funds and maybe we won't be able to get those funds.

So there is that feeling of fear, Mr. Chairman, and that existed prior to 1970. It began to change at that time, that control. And since I am dependent upon, since my community is dependent upon, the government and the government has control over our lives, then we have to be nice to those people, we have to get on our hands and knees, be properly humble, not make any demands, not stand up for ourselves, because we have to save what little we have left for the people in our community. Mr. Chairman, that is unfortunately the situation.

Mr. Chairman, I could see that happening before sort of as an accidental development or historical, logical progression. Mr. Chairman, my colleague has pointed out the clear and direct involvement of the Minister in establishing that fear, the direct personal involvement of this Minister in intimidating people in northern Manitoba to do what he wants them to do. And Mr. Chairman, my colleague outlined the examples which I had heard before but was not sure enough of the details to mention those situations. Mr. Chairman, that is the real unfortunate situation, that direct involvement in that kind of keeping control, don't let the people in the north stand up for themselves, keep them in their place. That is the attitude that that Minister reflects.

MR. CHAIRMAN: The hour being 4:30 and in accordance with Rule 19(2), I am interrupting the proceedings for Private Members' Hour and will return at 8:00 this evening.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: We are now under Private Members' Hour. The first order of business on Thursdays is Public Bills. We have two public bills, Bill No. 29, An Act to amend The Clean Environment Act standing in the name of the Honourable Member for Rhineland. Shall we have that matter stand? (Stand.)

The second one is Bill No. 34, An Act to amend The Fatality Inquiries Act, also standing in the name of the Honourable Member for Rhineland. (Stand.)

The next item of business is Private Bills. The first item under that is Bill No. 33, An Act to amend An Act to incorporate Bel Acres Golf and Country Club, standing in the name of the Honourable Member for Kildonan. (Stand.)

The next one is second reading of private bills, Bill No. 40, An Act to Grant Additional Powers to Rossmere Golf and Country Club. The Honourable Member for Crescentwood. (Stand.)

RESOLUTION NO. 1 — RIGHT TO WORK

SPEAKER'S RULING

MR. SPEAKER: Last evening at 5:30 on Resolution No. 1, commonly known as the Right to Work Resolution, an amendment was proposed by the Honourable Minister of Labour at which time it was taken under advisement. I have perused the amendment proposed by the Honourable Minister of Labour, I would point out to the honourable minister that the amendment that he proposes is out of order as we already have an amendment before the House, and I refer him to section 441(2) A subamendment must be relative to the amendment it purports to amend and not to the main motion. So on that basis I have to rule the motion of the Honourable Minister of Labour out of order.

Resolution No. 1 will drop to the bottom of the Order Paper. We'll proceed with Resolution No. 9, proposed by the Honourable Member for Elmwood, standing in the name of the Honourable Member for Logan. The Honourable Member for Logan has twenty minutes.

RESOLUTION NO. 9 — SUPPORT FOR CANADIAN PUBLISHING INDUSTRY

MR. JENKINS: Thank you, Mr. Speaker. In rising to take part in this debate, I want to say that having read the "resolved", this may not be the absolute solution to the crisis that exists here in Canada with the Canadian publishing industry and also in turn, with the fact of the dearth of Canadian authors that we have at the present time. However, I do intend to support the motion because there is nothing at the present time that seems to give an opportunity for budding authors and authoresses to make any mark as far as the Canadian reading public is concerned.

As the Member for Elmwood has stated, the overruns by American and British publishers and

their domination of the distributing firms here in Canada, and also in particular in Manitoba, make it virtually impossible for even hard cover and even paperback books of Canadian content to crash the market. And it is hard under these circumstances for Canadian publishers to exist and if there are no Canadian publishers, it also follows as night follow day, that there will be the lack of opportunity and ability for Canadian authors to enter the Canadian market. And with the net results, very few Canadian authors make it onto the book shelves of Canada or here in Manitoba. The book selling industry outlets here in the City of Winnipeg will certainly point that out to you. Go into the Hudson's Bay or Eatons or the Coles Book Stores, or other book stores here, you will find very very few books of Canadian content on our market.

Not only, Mr. Speaker, does it deal with books of fiction and non-fiction, there are no great abundance of Canadian content books, but this also has to be taken very seriously, and I think by the Minister of Education, and it's unfortunate that he's not in the House here at the present time, because the same problem exists for the publishing of Canadian textbooks within our institutions of learning. And it's becoming a stark reality because of the overrun and the spillover into Manitoba by the American publishing firms, especially in the field of textbooks, that we find an increasing amount of American and foreign textbooks being used in our schools and universities.

And you know, it's not just that we don't have this publishing industry, but when you get this spillover and this ideological thought from other parts of the world, and I'm not saying their thoughts are wrong; they may fit their circumstances. But what happens is, in Canada, that we have failed to establish a positive Canadian identity. There is a definite lack in this country of a positive Canadian identity under the circumstances, and you know, one of the main themes today in the present federal election, is unity. Now how in the world can you ever have unity, Mr. Speaker, if we first can't establish in our minds, what is a Canadian identity? And that is a sad state of affairs that we find ourselves in at the present time here in Canada.

You can pick up books of fiction, non-fiction, folk heroes by the dozen, of American origin. Where do you find them in Canada? We don't find any here in Canada —(Interjection)— Well, the Honourable Member for Pembina says "Why?" Because of the overrun and the spillover into this country of not only American, but British publishers and their distributing agencies in this country, and in particular — because we're speaking of the Province of Manitoba — this is what we get. And if we desert the publishing field, we also in turn desert our authors.

The Pierre Burtons and a few like that have made it, and as the former Minister, the Member for Elmwood stated, "Yes, the book by Margaret Trudeau," sure, because it's of sensationalism and seems to have grabbed the imagination of the people in Canada. I don't imagine that book will have a great —(Interjection)— yes, as one of the honourable member's says, "What an imagination." I don't know whether you should class that book as fiction or non-fiction; that's something that we'll have to determine.

But the unfortunate thing is, that people here in Canada know more about American and British culture and current affairs, than they do of their own native land. I mean, all one has to see, is some of the questionnaires that are put out sometimes to our younger people and also in turn, on roving reporters on the street, when they ask people, "Who is the current Prime Minister of Canada?" And you'd be surprised, you'd be surprised at the answers that come out. Some say President Carter, oh, others say someone else, and you know, it's a disturbing thing. The same thing happens even when someone asks, "Who's the present Premier of this province?" You get some varying answers, and my Conservative friends across the way might be surprised if they went out and asked the first hundred people who the Premier of this province was. —(Interjection)— I know we do our best to tell them, but they might be surprised just what kind of answers they get. —(Interjection)—

Well, I can assure the Honourable Member for Virden that I don't think that they would think he was the Premier. He may be a deserving fellow and maybe he should be the Premier, I don't know, I think he would have more heart than the present one.

But I don't know how many people have read one of the recent issues of the Legionnaire Magazine put out by the Royal Canadian Legion here in Canada, and Canadian content; one of the few Canadian content magazines. And I don't know whether they read an article by one, Douglas Fisher, dealing with the lack of any books by Canadians on the contributions made by Canadians in World War I and in World War II. The only book I can think of is one by Colonel Stacey, which is the official history of Canada at War. But how many people here have read James Jones' "From Here to Eternity", or "The Thin Red Line?" I am sure many members here have read those books. How many members have read, "The Cruel Sea" by Nicholas Monsarrat?

You know, even Australia, was able to produce an author of world renown, Nevil Shute, and his "Town called Alice" — which was a book about the Australians in the Burma campaign, and made the best seller list. There is also his book "On the Beach" which was predicting an atomic

holocaust if we proceed on the way that we're going at the present time.

And you know, Mr. Speaker, when one watches these programs such as one that was on the other night, "The World at War" or something like that, you know, it makes one wonder just what participation we, as a nation, and our Armed Services and the war effort that the people of this country put out during World War I and World War II. You know, sometimes, Mr. Speaker, when we see on these various different programs, it makes me wonder whether I was there myself, because of the dearth of the publication that Canadians actually participated in the campaign in Italy, that they participated in the campaign in northwest Europe. You hear all about the Americans, you hear all about the British, but what do you hear about the Canadians?

And you know, that's astounding, Mr. Speaker, because believe it or not, Canada, with a population in 1939 of something in excess of 11 million, produced the largest volunteer army in the allied side; the largest volunteer armed services, combined Navy, Army, Air Force. You know, this was a fantastic contribution. There are many many stories, I am sure, that could be told of the contributions. They can be of fiction, they can be of non-fiction, but we don't have either type, Mr. Speaker, we have neither type.

You can go into the book stores, you can read books about the contributions of practically any country and its participation. There are many many exciting stories to be written about Canada; not only of its war effort, but of its struggles, how it struggled to nationhood. You know, the honourable members may think this is kind of funny, but it's not funny; it's a serious lack of Canadian identity. I mean, we seem to be able to absorb all the knowledge and all the propoganda that is put forth from other cultures and at the same time, we don't have any culture here as a Canadian culture, unfortunately. That is a sad fact of life, because our authors have not had that opportunity.

I think that the Honourable Member for Elmwood pointed out that because of Canadian content in the recording industry, it has made a significant impact upon the people in the entertainment field. We now have our Anne Murrays, we have Hagood Hardy, and various other people that have —(Interjection)— Well, the honourable member says that they would have made it. Yes, they might have made it if they had gone anywhere else. What is the old proverb? A prophet is without honour in his own country; and that seems to be the adage that we have adopted here in our country, unfortunately.

You know, I don't know whether I should even mention this or not, but I had a cousin who was a budding authoress, until her untimely death a few years ago, a native-born Manitoban one Patricia Blondell who wrote a book called "A Candle to Light the Sun".

A MEMBER: About Neepawa.

MR. JENKINS: A native Manitoban, no it wasn't about Neepawa, it was written about the town of Souris, where Pat Jenkins, my uncle's youngest daughter was born. She married a doctor and subsequently moved to Montreal where she decided to write a book about the town of her birth, and it's quite a good book. I would ask how many members in this Chamber have read that book? I doubt very many. And there are many many other authors equally as good or better than what she was that have not had the opportunity, and you know, Mr. Speaker, if we desert this field to the publishing industries of the United States and Britain, and I'm not saying that we shouldn't read books from other parts of the world, I think we owe it to ourselves as Canadians to read what other people's thoughts are.

But surely we owe it to ourselves to make sure that, somewhere along the line, there is some Canadian content. You know, the Member for St. James says he supports the Member for Elmwood in his ideas about the concern for the Canadian writer and Canadian content. He says he has always supported it, and I'm glad that he does, and if the Honourable Member for St. James can come up with a better idea than what the Member for Elmwood has produced, I'm sure that he would support it, but just to sit here and give it pious sympathy and do nothing about it. You know, we are going to be continuing on this road . . .

MR. SPEAKER: Order please. The Honourable Member has five minutes.

MR. JENKINS: Thank you, Mr. Speaker. We are going to be continuing on this road, where we're going to get less and less and less content. Not only do we stand the chance of losing what little bit of identity that we have, we stand the opportunity of losing maybe our country as well, because we have not developed that identity and that pride of being a Canadian.

You know, one of the things that unfortunately in this country if you criticize our American cousins to the south of us, or if you say you like something in Canada better than it is in the United States, you're being anti-American. I'm not anti-American, I get along very well with Americans, I think

they're fine people and those especially below the border, below us here, I find, when I'm down there, I don't know if I'm in Canada or the United States but that's because of the ruboff of their culture on the people of this country. But you know, Mr. Speaker, if we don't give an opportunity to our people to develop an identity, we stand, as I said before, the very distinct possibility of not only losing the identity that we have now, but our country as well, because we will be absorbed. Because for all intents and purposes, we are American. We have not unfortunately, at any time, up to the present time, developed a distinct Canadian identity, and if we're going to do that we are going to have to do that by supporting our publishing industry — and God forbid, I never thought I'd be up here saying that we should support any industry in that respect — but I'll say this, that if we want these people to survive and in turn our authors, our people in the arts, then we have got to support them.

And if this is the method that we've got to do it by I can't say that I am that enthralled with the idea that we set a limit, you know so much content, but the unfortunate part is that the distributing industries in this country are controlled by the publishing industries outside this country, and they're going to publish their overruns and spill-overs in preference to anything that we produce in Canada.

If you sell a hard cover here of 3,000 to 5,000 books in Canada, you're a tremendous success, a tremendous success. You know there are people here in Manitoba, there was an article here just lately where people here in Manitoba in the publishing industry, one I believe works for the Free Press, he subsidizes it out of his own pocket to make it operative. He'll probably go broke in the long run because his books are not able to get on the market, therefore I think it behooves this House to seriously think about giving some support to the publishing industry, not only in Canada, but to the publishing industry here in Manitoba.

And I know the Honourable Member for St. James, he chided the Member for Elmwood about William Clare, but at least it was an attempt to get something of Canadian content into our Canadian schools. —(Interjection)— Maybe we are paying for it, but if we are not prepared to pay the price for the establishing of a Canadian identity, then we may as well pull down that flag and hoist the Stars and Stripes. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Pembina.

MR. DON ORCHARD: Thank you, Mr. Speaker. I just want to speak a few minutes on this Resolution by the Member for Elmwood. I don't think that too many people on this side of the House, and probably we are reading between the lines when we impute the motives, but if the objective of this Resolution is to promote Canadian writers in our magazines to the betterment of our Canadian writing industry, or writing talent, then I don't think anybody on this side would object to that kind of effort. We're all proud of our Canadian heritage, we're all proud of any author who has the talent to put that Canadian history, some of the things that the Member for Logan mentioned, into printed form that's interesting, that's informative, and that can be appreciated by all Canadians. On this side of the House we appreciate the efforts of authors who make that contribution to Canadian history, to the Canadian literature, but I have my hesitations when I see the Resolution draw the analogy between the Canadian record industry and the Canadian publishing industry.

The 20 percent requirement in the Canadian broadcasting industry can be given — how much credit we can't probably identify in terms of percentage — but it has been given some credit in developing Canadian music talent and certainly, in that particular industry, the 20 percent requirement was probably a little easier to enforce and probably a little bit easier to bring about. I question whether the book industry, whether the book retailing industry, is really the right area to require the expenditure of promoting Canadian authors. What we're saying to a group of businessmen in the book retailing business is that you must use 20 percent of your display space in retail outlets for books of Canadian content and magazines of Canadian content. That's directly where we're saying to that particular businessman that you must use 20 percent of your total costs of operating your business to Canadian literature, and Mr. Speaker, that I believe will not work because, by the mere fact that 20 percent of the shelf space in a bookstore is donated strictly to Canadian authors, isn't going to make me, as a browsing shopper for books, necessarily buy the material that's there.

So I question whether that sort of requirement is going to accomplish what the Member for Elmwood is proposing. However, when I go into a bookstore I do look for books by Canadian authors. I look for the Barry Broadbent books; the Ten Lost Years book is an excellent treatise on the dirty thirties, something that I have read and got a great deal of information and learning from. But do you know the reason why I bought Ten Lost Years, Mr. Speaker, was not because it was in the bookstore as a requirement that 20 percent of the space be allocated to a Canadian author like Barry Broadbent, it was because, Mr. Speaker, my interest in that book was stimulated by an

effort put out by the publisher to promote that book. It was a good book, it was well promoted, my interest was stimulated by a good book review in Macleans Magazine, it was stimulated by seeing it advertised in a couple of other journals, and I bought the book. I enjoyed it, and it was very worthwhile.

I suggest, Mr. Speaker, that if we are serious, if we are truly serious, about promoting Canadian authors and getting their works in front of the Canadian people, that rather than requiring a certain amount of display space to be allocated mandatorily to Canadian authors, that maybe we spend some of the available funds, and I can think of one particular area from federal funding, the Canada Council Grants. The Canada Council Grants will provide all sorts of funding for budding authors, and recently we've seen some of the poetry for instance that has resulted from some of the Canada Council Grants. The poem involved a whole series of four-letter words. Now, I'm not that much of a purist that I find that acceptable, but you know that particular money given to that particular author, who isn't an author in my terms he's an opportunist, if that money was devoted to an advertising campaign promoting a Barry Broadbent, or one of the budding authors that we have in Canada, —(Interjection)— Sorry, Barry Broadfoot, I'm hung up on this election campaign, did I say Barry Broadbent the first time?

A MEMBER: You said it twice.

MR. ORCHARD: Mr. Speaker, my unbounded apologies for such a gross error, it's Barry Broadfoot.

However, if money's devoted by Canada Council for grants to some quite questionable artists and budding literary authors were devoted to the promotion and to the advertising of budding Canadian authors, I think we would much more quickly achieve the aims of getting the Canadian authors and Canadian publishers going in a very thriving business. It's not for lack of talent, Mr. Speaker, I submit that Canadian authors do not necessarily sell their books, it's for lack of knowing what you're buying.

I can go into a bookstore and I can identify the Canadian Sectoon, browse through it, and I can see hard cover books in there at \$10 to \$20 per issue, and I can read the inside of the cover. Mr. Speaker, I'm a little bit leery when I haven't heard a review on that book; I haven't heard any advertising campaign on that book; I'm not willing to shell out the \$10 or \$20 to find out if that particular Canadian author has, in fact, created a good work or not.

So I can't support the Member for Elmwood's Resolution requiring this 20 percent shelf space, because I don't think it will end up selling any more books by Canadian authoris, or any more books published by Canadian publishers.

However, Mr. Speaker, had the previous administration, instead of spending the \$3.5 million rejuvenating William Clare, had spent that in advertising promotion of very good books, and I can name a couple at home. There's an author at home who did what the Member for Logan just suggested. He was a retired airforce veteran, and he wrote a book on the exploits of the RCAF members in Italy and in Europe, and it's an excellent book. It deserves wide-spread circulation, but once you get beyond the bounds of Carman, Morden, Roland, Miami where the gentleman is known, the book, if it appears on a shelf, will be cast aside as just another book, because there's been no advertising put towards the promotion of that book. Were the \$3.5 million that were devoted to William Clare spent on advertising some of these budding authors their works would indeed sell, and you wouldn't need to put in a regulation for 20 percent mandatory shelf space allotment to the Canadian authors. So Mr. Speaker, with those few comments, I think the objective that the Member for Elmwood is saying, that we help Canadian writers and help Canadian publishers is an admirable intention. What he is suggesting to help them, I doubt very much if it is going to accomplish what he is trying to do, and it is going to cause a hardship on some of the people in the retail industry of the bookshops. Thank you very much, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Elmwood with a question.

MR. RUSSELL DOERN: I'd just like to ask the honourable member whether he wouldn't agree that impulse buying is important in this industry, and that if books and magazines are displayed, there is a possibility that somebody will, just in browsing, buy something they didn't intend to, and that that is one of the advantages of this resolution.

MR. SPEAKER: The Honourable Member for Pembina.

MR. ORCHARD: Well, Mr. Speaker, I hesitate to disagree with the learned Member for Elmwood, but I think impulse buying at \$10 to \$15 per hard covered book isn't too prevalent, and I don't

think that the sheer massive display is going to change too many people's buying habits. Advertising will, impulse buying is not necessarily there.

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

MR. CHERNIACK: Thank you, Mr. Speaker. I must say that the Honourable Member for Pembina almost persuaded me to vote for the resolution, because, Mr. Speaker, he gave what to me were the poorest reasons for attempting to assist authors and publishers of Canadian documents. I don't mean reasons as much as his attitude, question, motive. He mentioned those books which he believed were good. He questioned the Canada Council's support to what he thought was questionable — I think that was the term he used: questionable — and generally gave me the feeling that if he had the power to do it his way, there would be a form of censorship, which to me seems to be even greater than that that may be attributed to the resolution itself, and which I believe the Member for St. James actually did attribute, where he suggested that there was a form of censorship.

I don't know whether the solution is advertising. I have seen too much by way of advertising which attempted to persuade people to buy articles they didn't need, to buy articles that did not have proper value or proper quality, and his solution of spending \$3.5 million on advertising Canadian books is, I think, no better than the — well, I think it's worse than the suggestion in the resolution. I think that possibly the member is suggesting the spending of \$3.5 million indicating, I believe, that he's prepared to see money spent on Canadian cultural endeavour would be best spent in grants that could be given to authors, grants to publishing houses, providing that they are non-profit, in various ways in which they could be encouraged to get the greatest possible display of books and other magazines and other Canadian cultural content.

But the simplistic way of this resolution is just not to me satisfactory. I would rather see an urging on the government to indeed bolster up the system whereby people in Canada are supported more substantially in their artistic endeavour. I would support that, and maybe the Member for Pembina would as well, because he said rather than see an expenditure of \$3.5 million — I don't know where he got the figure from — but \$3.5 million for one project to see that on advertising, I would rather see it to make people who are artistic, to make it possible for them to do more along the lines of their own ability, as is being done now for the movie industry in Canada. There is a very strong support given in a tax shelter way; the method I don't agree with, but at least it is being done in a way which gives preference to Canadian movie industry without in itself creating an imposition on others as to how they are to operate. The same, I think, applies to a lesser extent, but nevertheless I accept it, in the example given by the honourable Member for Elmwood, in the use of the power given to the CRTC on behalf of the record industry, where they are saying that since there is a limited number of channels available on radio or television, that they can then decide the best method in which these channels would be used and thereupon determine the extent of content that they think is practical as between Canadian and other than Canadian product. But that is because they are licensed so to do. They are licensed because the CRTC has to be selective, and in doing so has a right to assert guidelines within which they are to operate.

That of course does not apply to the book industry. I would like to see more Canadian content in plays, as well as in movies. I would like to see more Canadian content in all cultural endeavours, but I am definitely uncomfortable by the solution proposed in this resolution.

I do want to make the one point which is really not related to the resolution, but related to what both honourable Conservative members refer to, and that is the William Clare support. I don't believe that that was designed to be support to Canadian authorship or Canadian publishing. I think it was an endeavour to help promote an industry that could have been a successful one in the field of education as well as an industry that could have benefitted Manitoba and Canada. I wouldn't for a moment pretend to know so much about the investment as to try to justify it. I'm just saying that I don't believe that anybody, in making the advance, tried to justify it on the basis of promoting Canadian authors or the Canadian industry as such. I think it was designed, hoped to be a successful investment and a successful support. What I do think, Mr. Speaker, although the amount is vastly different, it was probably more justified than some of the private sector youth grants that have been given out, that were revealed just recently, to some multi-national and national concerns who really didn't need that kind of encouragement and who are sophisticated enough to take advantage of every opportunity they see, as indeed was proven that the Conservative Party was sophisticated enough to take advantage of an interpretation of obtaining support from a Conservative government.

Nevertheless, in spite of what I've said in relation to the arguments by the two Conservative members who have spoken, and in spite of my sympathy for the intent of the resolution itself, I don't find that that solution is acceptable to me. I had occasion, and the Member for St. James did refer to the decision of the Liquor Commission under the former government to remove from

visibility, South African products. I remember I had occasion to speak on that when I was on the government side, and saying that I didn't quite agree with that. I would rather see a boycott, a picket line and sanctions imposed by an indication of rejection and abhorrence of the South African regime and I agreed with that form of public rejection.

In the same way, I would like to see more support for Canadian artists, both authors and other forms of cultural endeavour. I'd like to see that in a positive way. I would like us all to work towards that. I would not like to see a form of discrimination used in order to accomplish that. And that's why, Mr. Speaker, I was somewhat uncomfortable but not too unhappy by the decision of the Liquor Commission on the shelf space in the Liquor Commission to South African goods, and for the same reason I'm uncomfortable with the thought that we would go to each bookseller and instruct that bookseller to limit the amount of space available for display of products for sale on the basis of Canadian or non-Canadian content.

For that reason I find it not acceptable to support this resolution.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I did not intend to speak to any extent on this resolution. I just want to clear up what may be some misunderstanding. The Member for St. Johns indicated that he's never heard justification of Clare Publishing being for a Canadian publishing company to promote Canadian authors. I do believe that that was the justification that was given by some; I don't think it changes his argument at all, but I think that, although I wasn't involved with the MDC when the money was first advanced, I believe that the Board of Directors did think that there was an opportunity for a home-based publishing company to succeed which would use people in this province. I don't think it changes what the Member for St. Johns says, but I don't want it to be misunderstood, that no one has ever said that on this side of the House. —(Interjection)— The Member for St. Johns wants to acknowledge the clarification. I'm sure that he had never heard that, but I am quite certain that at one time or another I indicated . . . —(Interjection)— What did he call it?

MR. CHERNIACK: : He wants to know if you can spell it or not. He want — c-l-a-r-e . . . to know how you spell clarification

MR. GREEN: Mr. Speaker, I don't think that the Member for St. Johns' argument has changed one iota by that. As a matter of fact, I think it's strengthened, because it was a problem to try to stimulate something on the basis of its Canadianism in the way in which it was done, and there was difficulty in achieving it. I think that sometimes that occurs when there is an attempt by negativism to promote a form of sort of patriotic requirement vis a vis a particular problem. Certainly the desire of the Member for Elmwood in putting this resolution is one that everybody would associate himself with. I don't think that there is one person in the House who would not want to say that we would be very proud and happy if the material on our newsstands was something which reflected the excellence of Canadian authors. I think that that would be — the same thing is true. As a matter of fact, Mr. Speaker, if we want to be more chauvinistic in a sort of a positive way, I think we would be happy if Canadian authors occupied 50 percent of the space on American bookstands. How could any one of us object to that?

And despite the fact, Mr. Chairman, that —(Interjection)— Well, Mr. Chairman, my friend, the Member for Elmwood, made a very good remark. He said Margaret Trudeau is breaking into the American market and she is occupying that kind of promise. But, Mr. Chairman, I want the House to be appreciative of the fact that I consider her book to be junk, positive junk, and it seems to me that that is the flaw in my friend's argument that we could have the 20 percent filled up by Canadian junk as against European, British or other groups' quality literature.

My problem with the resolution, Mr. Chairman, is that it is an attempt to legislate what people are going to read, and as much as I would like to see Canadian authors having received the prominence, I would not legislate. A friend of my sister's is a prominent Canadian Winnipeg author. Adele Wiseman is a person who was a friend of my elder sister's. She wrote some very good literature which is sold throughout this country and she didn't, to my knowledge, get that kind of preference on the bookstands. She made her way to those bookstands. Fridelle Bruser is a friend of another sister of mine, who made her way to the bookstands of the Canadian people and to Canadian television. I think if you'll remember the play, I think it's called "Roszinkes mit Mandlen," but it is "Raisins and almonds." The play appeared on Canadian television and made it's way, and that makes me even perhaps to the extent that we all have a feeling for proximity and closeness to us, that that girl did not get the preference but she fought her way up to the top and did it well. And I say that despite the fact that from time to time we look at the sparsity of what is achieved

in this area, that it is the better process in the long run to permit freedom of choice, freedom of speech, and hope that that freedom will result in the various people whom we hope to succeed, that they will ultimately do that type of thing.

It's not an easy field, Mr. Speaker, it's one which comes up in every field. It's doesn't come up merely in the area of journalism. We hear people talking about Canadian ownership of industries as against foreign ownership. I've always said, Mr. Speaker, that I never really could understand how perhaps John D. Rockefeller was any worse than E. P. Taylor. —(Interjection)— As a matter of fact the chances are that Mr. Rockefeller is investing money in Canada, Mr. Taylor is investing money out of Canada, the money that he earns here.

I've always had the feeling, Mr. Speaker, that if we the people don't own it, then the nationality of the particular capitalist is irrelevant to me, because the person who is in that category of making a profit as a result of private initiative and entrepreneurship is not doing it for a flag. He does not follow the flag, he follows the interest rate. I do not know how you can have it otherwise. You can have laws which prohibit the export of capital and which are a problem. But I often find it, Mr. Speaker, unusual that people will argue that they want Canadian ownership and they don't want foreign ownership and then say that the money should be invested in Canada. Surely the foreign owner is doing exactly that. He is investing by definition in Canada and the Canadian government is able to control that owner in the same way as they are able to control any other owner.

However, to get back to the topic, I think that my friend, the Member for Elmwood, is in even a more dangerous field because he is dealing with art, he is dealing with journalism, he is dealing with the essence of freedom of speech and it is dangerous, Mr. Speaker, in my view, on the basis of nationality, to talk about what is going to be carried on the newsstands. Certainly I agree with the sympathy behind the emotion. I disagree with legislation of that kind and probably would not have said anything except that I didn't want the Member for St. Johns to be embarrassed or myself to be embarrassed, maybe that's even more important. Somebody is saying that, "Well, it's said that this was never done." I believe that the Member for Brandon East is the one who first talked about Clare Publishing. —(Interjections)— I believe that the Member for Brandon East did from time to time refer to Clare Publishing as being an attempt to start a Canadian publishing company, although I am not sure. I am certain that from time to time I have indicated that that's what the Board of Directors, certainly one of their motivations was to try to have a Canadian publishing company, but the Member for St. Johns' argument is probably strengthened rather than weakened by that revelation because it's the kind of thing that usually with whatever the intentions are does not have the result in accordance with the intention.

MR. CHAIRMAN: The Honourable Minister of Transportation.

MR. ENNS: Thank you, Mr. Speaker. It is not all that often that we get a resolution that I think that most members in the House can feel reasonably comfortable in debating and we will bring different points of view to bear on the question that the resolution poses before us.

Mr. Speaker, the point of view that I would like to bring to bear on the House right now, and on you, Sir, is as to whether or not there would not be some consideration to calling it 5:30 p.m. and allow me to think about it a little longer, to do some research on the subject matter and indeed to read the speeches that have already been made on the resolution, and then in my usual precise way, devoid of any emotion, but to bring the facts of the matter before the members opposite when I have that opportunity when next we meet, Sir.

MR. SPEAKER: Is there any inclination to call it 5:30? The Acting Government House Leader.

MR. MCGILL: Mr. Speaker, I move, seconded by the Honourable Minister of Highways that the House do now adjourn and resume in Committee at 8:00 p.m. in the Chamber and in Room No. 254.

MOTION presented and carried.

MR. SPEAKER: The House accordingly adjourns and stands adjourned until 10:00 a. m. tomorrow morning (Friday), but meets at 8:00 p.m. in two Committees.