

LEGISLATIVE ASSEMBLY OF MANITOBA
Thursday, 29 May, 1980

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Presenting Petitions . . . Reading and Receiving Petitions . . .

**PRESENTING REPORTS BY STANDING
AND SPECIAL COMMITTEES**

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I beg to present the Fifth Report of the Standing Committee on Economic Development.

MR. CLERK, Jack Reeves: Your Committee met on Thursday, May 29, 1980, to consider the Annual Report of Manitoba Mineral Resources Ltd., for the period from April 1, 1978 to March 31, 1979.

Having received all information requested by any member from Mr. Albert A. Koffman, President of the Board of Directors of Manitoba Mineral Resources Ltd., the report, as presented, was adopted by the Committee.

MR. MCGREGOR: I move, seconded by the Honourable Member for Radisson, that the report of the committee be received.

MOTION presented and carried.

**MINISTERIAL STATEMENTS AND TABLING
OF REPORTS**

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Charleswood): Mr. Speaker, I would like to lay on the table of the House the Provincial Fire Report for Thursday, May 29. Sir, I should also like to make a statement concerning the Garrison Development in the United States.

Mr. Speaker, today in Washington, D.C., arrangements are being made with the concurrence of the Canadian Embassy to send to each United States Senator and each Congressman a personal letter over my signature on the subject of the Garrison Diversion Project. With each letter is enclosed a specially prepared brochure explaining our major concern, which is the potential damage to our fishery. I'm tabling the letter and the brochure in sufficient copies for each member to have a copy.

By way of background, our government, since taking office has been closely monitoring the progress of the Garrison Project. As members are aware, our provincial concerns are normally communicated through the Department of External Affairs, with which we have been working in close collaboration.

The Canadian position has been established and expressed, after consultation with Manitoba's

Minister of Natural Resources and his department. When appropriations for Garrison have been placed before the United States Senate and House of Representatives, the Canadian Embassy in Washington has communicated our position in strong terms and these communications have carried with them the respect which our Embassy justifiably commands with the Executive and Legislative Branches of the United States Government.

On April 11, 1980, for example, our Canadian Embassy wrote to those United States Senators and Congressman, who are members of the Senate Foreign Relations Committee and the Foreign Affairs Committee. To write directly to senators and congressman was an unusual step but we in Manitoba agree that it was fully justified by the serious import of the decisions which will shortly be made by senators and congressman relating to the appropriation of new money for Garrison.

Ambassador Towe, in the course of his letter, made reference to the major danger inherent in a Garrison plan which would use Missouri water to irrigate land in the Hudson Bay Basin. This, of course, is the danger of transfer of fish life and other biota indigenous to the Missouri Basin and the resultant displacement or destruction of the valuable food fish upon which our fishing industry depends. Ambassador Towe concluded, if I may quote his letter that: The only way to eliminate the biota transfer concern is to modify the project to eliminate all inter-basin transfers of water.

In effect, Canada is asking, to quote our brochure, as one neighbour to another, for the rejection of any Garrison plan which would irrigate land in the Hudson Bay drainage basin. The danger of pollution of our river systems and of degradation of our municipal water supplies is fully understood by all those who are aware of the effects of major irrigation projects. The danger of the transfer of so-called, rough fish, and of parasites and diseases, however, is a much more complex concept and we are aware that it has not been widely understood and appreciated.

For this reason our government requested the concurrence of the Department of External Affairs in the distribution of a balanced and informative brochure explaining the process of transfer of biota from one drainage basin to another, the resultant displacement of valuable food fish in our lake systems, and the potential for destruction of our fishery. This, I think you will agree, has been done in the clearest possible terms and in a manner which is intended to be informative and which is technically irrefutable.

It is anticipated, Mr. Speaker, that the Senate and the House of Representatives will be considering the Garrison appropriations during the month of June, and to ensure that the message and the brochure come to the personal attention of each senator and congressman, I have written each of them a personal letter, adding our Manitoba voice to that of the Canadian Ambassador, requesting that they do not support a plan which calls for the irrigation in the Hudson Bay Basin and which would inevitably

damage or destroy and important sector of our environment.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Well, the information the First Minister is presenting to the House is appreciated and certainly follows along the policy which was originally established by the New Democratic Government, that is, of opposing any transfer of waters from the Garrison Diversion Project to the water systems which flow into the province of Manitoba.

I would, however, express some regret that the Progressive Conservative government has seen fit in one case — and it has been discussed before — and that is they opposed the decision of the International Joint Commission with respect to the Roseau River system and they're now hoping to use the International Joint Commission to support the Manitoba position in the Garrison Diversion case. We believe they've seriously jeopardized the possibility of respect for the International Joint Commission by rejecting its advice in one case and attempting to hang their hat on it in another.

I would think, Mr. Speaker, with respect to this announcement, that closer co-operation with the Canadian External Affairs Department would be more valuable than the province of Manitoba attempting to put the case forward on its own. Although any argument is welcomed, I would think a letter like the kind of letter which the Premier is writing, and is reporting to us today that he's writing, would be stronger coming from the Prime Minister of Canada than from the province of Manitoba. The brochure which the Premier is sending to the Senators and to the House of Representatives would carry more weight if that brochure were coming from the government of Canada than from the government of Manitoba.

I would hope that the Premier and the government of Manitoba is not simply attempting to grandstand on this issue but would be taking it seriously enough to be working closely with the Canadian government and the Department of External Affairs on this issue and hopefully not carry this into the partisan political arena where the government of Manitoba is reluctant to act through the federal government because it happens to be a Liberal government at this time.

The Garrison Diversion Project is such a dangerous project to Manitoba that there should be no hesitation by government of any stripe to deal in co-operation with the federal government in order to more effectively oppose this kind of measure, rather than attempting to do it on a province basis. One province means very little to the government of the United States but the government of Canada means a lot more, Mr. Speaker.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: May I rise on a point of privilege in the light of the rather odd remarks that have just been made in response to the statement, to point out to the honourable member and to the members of the House, who may have been misled by his comments, the letter that I have addressed to the

U.S. Senators and Congressmen and the brochure have been forwarded to the Department of External Affairs and they're being sent with their approval. Now if my honourable friend doesn't understand that, I'm sure other people will.

MR. SPEAKER: Order please. The Honourable Member for Rupertsland on a point of order.

MR. BOSTROM: Mr. Speaker, if that was a point of privilege I believe that I should have the opportunity to answer that point of privilege.

MR. SPEAKER: Order please. Order please. Points of privilege are not subjects that are similar to statements that require answers.

The honourable member on a point of privilege.

MR. BOSTROM: Yes, Mr. Speaker. The point I was making in response to the First Minister's statement is that his letter would have been more effective if that letter had been sent from the Prime Minister of Canada than from a Premier of a province, and the brochure which he sent would have been more effective if that brochure had gone from the Department of External Affairs than from the province of Manitoba. That's all I said.

MR. SPEAKER: Order please. Order please. The honourable member did not have a point of privilege. —(Interjection)—

Notices of Motion . . .

INTRODUCTION OF BILLS

HON. L. R. (Bud) SHERMAN (Fort Garry), on behalf of Hon. Warner H. Jorgenson (Morris) introduced Bill No. 72, The Securities Act, 1980 (Recommended by the Honourable the Administrator of the Government of the province of Manitoba), and

Bill No. 76, An Act to amend The Consumer Protection Act.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed with the question period, I would ask the Honourable Member for Point Douglas to introduce two distinguished visitors in my gallery.

The Honourable Member for Point Douglas.

MR. DONALD MALINOWSKI: Thank you very much, Mr. Speaker. It is a great pleasure for me to welcome His Excellency, the Ambassador of the Polish Government, the Polish People Republic, Dr. Stanislaw Pawlak and Counsel General from Toronto, Tadeusz Janicki, and, Mr. Speaker, by leave of the House, if I may, to welcome them in the Polish language. Thank you very much.

Wasza Excelencjo! W imieniu kolegow poslow prowincji Manitoba, pragne Was powitac w jezyku polskim i zyczyc milego pobytu w naszej prowincji znanej jako Przyjacielska Manitoba. Dziekuje!

For the benefit of the rest of the members and the Hansard printers, I would also like to repeat this in English:

Your Excellency. I wish to welcome you on behalf of my colleagues, the members of the Legislature, in the Polish language and also I wish you a pleasant

stay in our province, well known as a Friendly Manitoba. Thank you.

MR. SPEAKER: At the same time, I would like to welcome 25 students of Grade 5 standing from the D. W. Penner School, under the direction of Mrs. Horn. This school is in the constituency of the Honourable Minister of Finance.

We also have 35 students of Grade 5 standing from the R. J. Waugh School, under the direction of Mr. Grant. This school is in the constituency of the Honourable Member for Gladstone.

We also have Grade 3 students from Strathmillan School, under the direction of Ms Born. This school is in the constituency of the Honourable Minister of Economic Development.

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

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, my question is to the Minister of Health. In view of the fact that the Minister of Health supported increases to those at the upper level of health care in Manitoba, the doctors, increases at a level which received the support of all members of this House, I believe, is the Minister prepared to provide that same support, that same level of increase for health care workers at the lowest level of health care in Manitoba? Considering the fact that inflation affects all Manitobans, both those at the upper and the lower levels of the economic scale; considering that 10 percent on 50,000 is a 5,000 increase and 10 percent on 10,000 is but a 1,000 increase, is the Minister prepared to support the same level of increase for both those at the upper, as he did support, as those at the lower level of the economic scale in the health care field in Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, I am sure the Honourable Leader of the Opposition is fully aware that I'm not involved in the negotiations and, if I were, I would not be negotiating in the House, in any event. Those negotiations are proceeding at the collective bargaining table. I want to say that I think that all Manitobans owe a debt of gratitude to all our health professionals and health care workers for the services that they've performed.

MR. PAWLEY: Mr. Speaker, by way of further supplementary question to the Minister of Health, in view of the fact that the Minister of Health just said that he was not involved in the bargaining process and in view of the statement this morning by the Public Relations Director for the Health Sciences Centre that one of the major reasons that the Centre is unable to offer further increases to their health care workers is the budgetary limitations that are imposed by the provincial government, is the Minister, in view of that statement, prepared to review and to release the 8 percent ceiling which he has imposed upon the hospitals and personal care

homes in this province in order to ensure that they can bargain freely and in good faith with their employees, without the restrictions imposed by this Minister to health care in the province of Manitoba?

MR. SHERMAN: Mr. Speaker, I have not seen that statement by the Public Relations Director of the Health Sciences Centre. I know of a statement made and reported in the media by the Administrator or the President of the Health Sciences Centre, which was precisely in the opposite vein. So I'll have to check the comment that the Honourable Leader of the Opposition is referring to.

MR. SPEAKER: The Honourable Leader of the Opposition with a final supplementary.

MR. PAWLEY: Mr. Speaker, by way of a final further supplementary to the Minister. Is the Minister prepared at this stage, in view of the continuation of the spread of the strike in the province of Manitoba and the effect that this has in respect to all Manitobans, is the Minister prepared to review and to exercise some discretion and flexibility pertaining to the 8 percent ceiling which he has imposed upon health care institutions in this province, he being the Minister that is responsible for health care in Manitoba, and no one else?

MR. SHERMAN: Mr. Speaker, I certainly do not suggest for one moment that I do not have responsibility, and primary responsibility, vested in me through the people of Manitoba up to this point in time at any rate, for the quality and the performance of the health care system generally in the province. I am as concerned as the Honourable Leader of the Opposition is, I assure him, with the maintenance of the necessary standards of health care to ensure patient safety and life. The situation is serious. It's also fluid, Mr. Speaker, it changes or has the potential for change hourly. We are monitoring it hourly. I give the Honourable Leader my undertaking that it is not out of my attention at any hour of the day.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I was asked a question the other day by the Honourable Leader of the Opposition as to the date on which a possible conference of the First Ministers of the country would take place with respect to the Constitution. I indicated to him that as and when I received a communication from the Prime Minister I would inform him. Mr. Speaker, I can advise the Leader of the Opposition that I received a communication this morning from the Prime Minister advising that the meeting of the 11 First Ministers on the Constitution will take place in Ottawa on Monday, June 9th of this year.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, by way of supplementary to the Minister's information which I thank him for, can the First Minister advise whether or not any decision has yet been related to him on

the part of the Prime Minister as to the inclusion within the delegations involved in developing constitutional format, opposition leaders, both at the federal and at the provincial levels?

MR. LYON: Mr. Speaker, we have had no such indication as yet from the Prime Minister or the other Premiers. It would have to be, of course, a joint decision to be made by all of them. As I indicated to the Leader of the Opposition the other day, however, the first meeting that we are holding will be the 11 First Ministers themselves with no other Ministers or assistants in attendance, so far as I am aware at this time. I should add that I'm also advised it will be a closed meeting at 24 Sussex Street.

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

MR. LAURENT L. DESJARDINS: Mr. Speaker, my question is to the Minister of Health. On Tuesday last, the Minister appealed for assistance from all sides of the House to try to solve this very difficult and serious situation that we have. It is in this spirit that I would like to make the following suggestion. And to be sure that I am in order, Sir, I will do it in a form a question. Would the Minister be willing to say very clearly today — I don't think there's any need to see what has been said, just in case there is a misunderstanding — that the negotiators can negotiate in good faith without any fear, and still make sure that they are doing that very responsibly, but without any fear of being held back by any ceiling? If, for some reason or other that is higher than the ceiling, that the hospitals and the programs will not suffer. In that spirit then, negotiation can go and could appear to go also a lot more smoothly. Mr. Speaker, also, would the Minister consider using his good office also to suggest to the hospital to take, until this is settled, the offer of the Union, to accept the offer of the Union, that is, to provide essential services in all hospitals in Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, on the first part of the honourable member's question, I can only say what I've said before, that we have not issued any instructions relative to the bargaining that's going on at the present time, now or in the preceding weeks leading up to it. I think that I am not in a position to say or to suggest that the administrator or the management of any particular facility should not, and would not, of their own volition, have a sense of parameters in mind having the knowledge of their own operations and their own responsibilities. I can't inject myself into the reasoning that the administrations of individual hospitals bring to their fiscal affairs.

On the second point, Mr. Speaker, the situation with respect to other Winnipeg hospitals is not similar to the Health Sciences Centre at the moment. The Health Sciences Centre is the only hospital in the city of Winnipeg that is experiencing a strike at the moment as the honourable member knows. In the rural facilities, each facility is making that decision with respect to designated essential services

for itself; some are doing so, some are not doing so. Most are operating with the assistance of volunteers.

MR. DESJARDINS: Mr. Chairman, the Minister did not tell me anything I didn't know. Starting with the second question, my suggestion, and I asked him, would he not consider — and he could use his good office, after all the care of the patients is the number one concern. Could he use his good office to suggest very strongly to the hospitals, and I didn't mention Winnipeg, in Manitoba, those that are on strike, to accept the offer of the union. I'm not saying force, but to suggest very . . .

Mr. Speaker, the Minister doesn't want. Does the Minister realize that he stated that he does not want to inject himself. Mr. Speaker, does the Minister realize, by statements that were made in this House, he is very much involved. He has stated in this House that one-third of the total budget is enough and I am not suggesting that he lift any maximum, I'm suggesting and I'm asking him . . .

MR. SPEAKER: Order, order please. Order please. May I suggest to the honourable member he is debating rather than seeking information. This is the question period and the time when we are allowed to seek information from the members of the Treasury Bench. If the honourable member is seeking information I wish he would place his question now.

MR. DESJARDINS: Mr. Speaker, certainly I could re-word my question but to have the affect and explain what I have in mind it might be a little difficult. Mr. Speaker, I would ask leave of the House then to have a little bit of leeway. We were asked to co-operate and it's in that spirit that I'm making this observation and I can ask it in the form of a question and I will try, Mr. Speaker.

Does the Minister realize that by stating in this House that one-third of the budget for health is enough; and does the Minister realize that last year — and any time that the question of budget for hospitals were brought in that the Minister said that we will be very firm on this — does the Minister realize also that in the past that has been done, even though there is a maximum. But what I am suggesting to the Minister and I ask him if he would consider to state, not necessarily that he's raising this, to say that they go ahead and act in good faith. They wouldn't necessarily be bound by that and if so, if they have to take more than 8 percent, to assure the hospitals and the people of Manitoba that we'll not have to borrow that from programs and the programs of the hospital would not suffer.

MR. SHERMAN: Mr. Speaker, I appreciate the counsel of the Honourable Member for St. Boniface and the spirit in which he offers it, but I still suggest, Sir, that to accept that suggestion and commit myself to it would in fact be an act of direct intervention into the bargaining process. I can't do that, Mr. Speaker. That is being done at the bargaining tables and I have not received any entreaty for any other kind of activity.

MR. SPEAKER: The Honourable Member for Fort Rouge.

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MRS. JUNE WESTBURY: Mr. Speaker, my question is for the Honourable Minister of Health. Would the Minister please advise the House what is being done about surgery? Is surgery being cancelled? Is surgery continuing as usual? Could we have a brief report on that please?

MR. SHERMAN: Mr. Speaker, some surgery, emergency surgery, is continuing at the Health Sciences Centre at the present time. Of course there is no elective surgery being performed. The surgery volume that can not be accommodated at the Health Sciences Centre is being accommodated at St. Boniface and the question of elective surgery has been moved down the priority admissions list very sharply at St. Boniface so as to be able to accommodate the necessary acute and emergency cases that are dispatched from the Health Sciences Centre. Up to this point in time, Mr. Speaker, the arrangement is working but I want to repeat what I said a few moments ago, that there is certainly a potential for a change in this situation virtually hour by hour.

MRS. WESTBURY: Mr. Speaker, I wonder if the Honourable Minister would call breast cancer operations elective surgery and brain operations elective surgery. My understanding is that all breast cancer operations are being cancelled and brain operations have been cancelled. All ambulances are being turned away from the Health Sciences Centre. Can the Minister assure us that all of these operations which are hardly called elective surgery, are being looked after elsewhere, at St. Boniface or otherwise, because that is not the impression that the surgeons have at the Health Sciences Centre.

MR. SHERMAN: Up to the present time, yes, Mr. Speaker, they have been, and those decisions are not made in my office as I am sure the honourable member realizes. They are made by the medical chiefs, clinical chiefs, and individual physicians responsible for and to the patients themselves. I repeat, I don't like to say anything declamatory about the security of the situation. It could be different an hour or two hours from now and it is being monitored on a continual basis.

MR. SPEAKER: The Honourable Member for Fort Rouge with a final supplementary.

MRS. WESTBURY: Mr. Speaker, I wonder if the Honourable Minister can confirm that all surgery was cancelled at Grace Hospital at 3:00 o'clock yesterday afternoon. Would he also comment on the fact that an unusually high number of therapeutic abortions, 28, were completed at Health Sciences Centre in one day immediately before the strike because if there is a delay owing to the strike, there is a potential danger to the patients; 28 is a very high number for one day. At what point does the Minister consider that we are in an emergency situation, Mr. Speaker?

MR. SHERMAN: Mr. Speaker, we went into an emergency situation at 12:01 on Tuesday morning. The question is whether we are in a crisis situation or not and if we are, we will I am sure, as members of the Manitoba Legislature, all of us, work together to

take what action is required to resolve that crisis. Up to this point in time I am assured that the matter of patient life and safety is still protected and still guaranteed, but there is no question in the area of obstetrics and gynecology and therapeutic abortions, that there has been a reduction in the patient load and it's being reduced to a very minimal number because the Women's Pavilion at the Health Sciences Centre is directly involved in the strike situation.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON: Mr. Speaker, I posed a question and a supplementary question yesterday to the Minister of Agriculture. I wonder if he has information on the questions that I posed, at this time.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): Mr. Speaker, that information will be available from the department later on this week or early next week.

MR. EINARSON: Mr. Speaker, in view of the tenor of the questions posed this week by opposition members, I wonder if the Minister of Agriculture could enquire, through officials of his department, as to the number of hours that farmers have worked, in spite of the very limited assistance that they get from Crop Insurance, how many hours farmers have worked to put in crops of rye that were a total failure and that they got absolutely no pay for.

MR. DOWNEY: I would check that out also, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Elmwood on a point of order.

MR. RUSSELL DOERN: Mr. Speaker, we've complained about this sort of setup questioning that takes place every day in the House. I think the Speaker should review the daily questions put by the Member for Rock Lake and the daily answers by the Minister of Agriculture. I think he should look at the tapes and forward them to Hee-Haw because that's where they belong.

MR. SPEAKER: The Honourable Attorney-General on a point of order.

HON. GERALD W. J. MERCIER (Osborne): On the same point of order, Mr. Speaker. I think it clearly has been indicated in the past, members on both sides of this House have the right to ask questions of the Treasury Bench and particularly members on this side of the House have the right to ask questions pertaining to agriculture in Churchill and other issues in which members opposite don't appear to have any interest.

MR. SPEAKER: The Honourable Member for Elmwood on the point of order.

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MR. DOERN: If we're going to have daily questions in collusion between the back bench and the front bench, let the Minister make his statement under Ministerial Statements and then we'll have an opportunity to reply. That is the proper procedure. This is nothing but a hollow sham that we are subjected to on a daily basis.

MR. SPEAKER: Order please. I've listened to the point of order raised by the Honourable Member for Elmwood. I find the honourable member has no point of order. In fact, I find the honourable member has brought discredit to this House by the tenor of his statements and I would hope that he would choose his language very wisely in the future.

The Honourable Member for Transcona.

MR. WILSON PARASIUK: Thank you, Mr. Speaker. My question is directed to the Minister of Health. In view of the fact that the President of the Health Sciences Centre has publicly stated that the Health Sciences Centre already has a deficit of some 500,000 and is projecting another deficit for this year, can the Minister indicate whether in fact the level of hospital funding by this government has been insufficient and has thus put the Health Sciences Centre into an impossible situation and thus is not in the position to bargain in good faith with respect to its hospital workers because of these accumulated deficits?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: That case has not been put to me by the Health Sciences Centre, Mr. Speaker.

MR. PARASIUK: Yes, Mr. Speaker. I would ask the Minister if he would check the record in terms of their deficit. And could he tell us also, how many other hospitals in Manitoba are presently experiencing deficits as of this year, as of right now before negotiations, and how many of those hospitals are involved in negotiations and thus find themselves in an untenable position with respect to negotiations because they have deficits before they even enter the negotiations?

MR. SHERMAN: I can't tell the honourable member at the moment, Mr. Speaker, how many hospitals are expecting to come in with deficits, or project deficits, and appeal their budgets because that process is only barely under way and it's been interrupted to some degree at the present time, by these circumstances, as you'll appreciate. But I can tell the honourable member that last year there were, I think, approximately five hospitals in Manitoba that came in in excess of their budgets, that came in with deficits, out of the 90-some hospitals that operate in the province.

MR. PARASIUK: Yes. I'd like to ask the Minister if he can confirm that on Sunday, May 18th, CUPE sent a letter to the Manitoba Health Organizations indicating to them that they were prepared to provide essential services to Manitoba Health Organization hospitals even though the Manitoba Health Organizations had rejected their offer to sign an agreement for essential services, as they had with

the Health Sciences Centre. Would the Minister confirm that and would he please investigate as to why the Manitoba Health Organizations has not even had the courtesy to reply to this conscientious positive offer on the part of CUPE?

MR. SHERMAN: I believe that CUPE did send such a letter, Mr. Speaker, but I do not handle the hospitals' correspondence for them.

MR. SPEAKER: The Honourable Member for Emerson.

MR. ALBERT DRIEDGER: Mr. Speaker, I have a question to the Minister of Agriculture. Could the Minister indicate the extent and the effect of the recent rainfalls on the drought conditions in rural Manitoba?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, as the members are aware, some of the different areas of the province, the eastern region received a fair amount of rainfall, however, the western part of the province, the extreme western region of the province, has not received sufficient rainfall to this point to be of much good for plant growth, for either livestock or crop production.

MR. SPEAKER: The Honourable Member for Wellington.

MR. BRIAN CORRIN: My question, Mr. Speaker, is for the Honourable Minister of Health. I would like to ask him whether he has asked the Manitoba Health Services Commission to advise him why they have not contacted the chairman or the staff of the Winnipeg Ambulance Services in the course of their study of ambulance services throughout Manitoba. In this regard, Mr. Speaker, I draw the Honourable Minister's attention to a news report in today's edition of the Winnipeg Free Press, indicating that the Ambulance Commission, Mr. Ragsdill has had no contact or communication . . .

MR. SPEAKER: Order. Order please. May I point out to the honourable member it's the responsibility of the member to check the accuracy of a newspaper report.

The Honourable Member for Wellington.

MR. CORRIN: On the point of order, Mr. Speaker, I did not ask him to confirm a report. I just pointed out that had been confirmed by a newspaper. We have contacted the Winnipeg Ambulance Commission and they advised that they have not received any notice and I would ask the Minister if he has looked into this matter to find out why, after all these months of enquiry, nobody from the Health Services Commission has taken time to contact the primary ambulance service of this province.

MR. SHERMAN: I'll ask, Mr. Speaker, but I'm sure the honourable member has had similar experiences in his political career and his legal career. I now that I have in my political career where stories, relative to areas in which he's involved, or I'm involved, are

done without our necessarily receiving any contact or comment or reaction, but I will certainly ask.

While I'm on my feet, Mr. Speaker, the Honourable Member for St. Boniface asked me yesterday whether we still followed the practice of having an observer from MHSC at wage contract negotiations in the health field. In connection with the central bargaining table, MHO and the rural facilities, there is an observer there. At HSC and CUPE negotiations, the MHSC received no invitation to send an observer.

MR. CORRIN: Mr. Speaker, a supplementary. I would ask the Minister of Health whether he can advise us now of the structure of the investigative group, the number of persons participating, their identities and whether or not he will be instructing them to allow public participation in the course of these investigative proceedings?

MR. SHERMAN: No, I can't answer any of those questions, Mr. Speaker, but I will do so over the course of the next little while. We may not be in a position to identify the kinds of personnel from a public hearing point of view, that the honourable member is referring to, this is being done by the Insured Services Division of the Manitoba Health Services Commission and the ambulance personnel within it.

MR. SPEAKER: The Honourable Member for Wellington with a final supplementary.

MR. CORRIN: In view of the non-response of the Honourable Minister, Mr. Speaker, I would ask him whether he would like to reconsider his remarks, made in the course of debate during the Private Members' Hour on the ambulance resolution, as to whether or not there is indeed an ambulance study now ongoing in this province? Is he willing to categorically confirm that such a study is now ongoing, or will he look into this matter to establish whether or not any research or work has actually taken place to date.

MR. SHERMAN: The Manitoba Health Services Commission was instructed, in February, Mr. Speaker, to undertake such a survey and study and to bring in recommendations for consideration by government by next September. I haven't checked on it during the past few days, I'm sure that it's in place and ongoing.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM: Thank you, Mr. Speaker. My question is to the Minister of Education. My question arises out of the understanding that there are approximately 235 students that are being held out of school at Winnipegosis and that picketing is taking place at the moment. I would ask the Minister if he could advise the House if he has received any request from the residents there for his assistance and his office to assist in resolving a dispute that has arisen, apparently in the Winnipegosis area.

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Yes, Mr. Speaker, I have been in contact with the school board in that particular district and have urged them to meet with the concerned parents to try to come to some settlement on the particular controversy that exists there now.

MR. ADAM: A supplementary. In view of the fact that his efforts have been futile to this point in time, and in view of the escalating situation there at Winnipegosis, I'm wondering if the Minister would attempt to use his further good offices and leadership to try and resolve this dispute because it is the students that are suffering and it seems to me that the School Act does provide for the Minister to appoint an arbitrator or conciliation officer to try and resolve this serious situation that's taking place at the present time in Winnipegosis.

MR. COSENS: Mr. Speaker, I understand that the local school board will be making a statement in regard to the situation later today. Perhaps after the honourable member has heard that statement he can judge whether my efforts have been futile or not.

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

MR. DESJARDINS: Mr. Speaker, my question is to the Minister of Finance or the Minister of Economic Development. In view of the fact that the Minister of Agriculture has committed himself to investigate the hours put in by the farmers who are free enterprisers, to get a meaningful comparison, could either Minister find out how many hours the members in the free enterprise system are working also, those that are not on salary but working for themselves?

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, that would be about as difficult as trying to find out whether members of the Legislature put in the alleged 24-1/2 hours that we're supposed to put in here.

MR. DESJARDINS: Mr. Speaker, in which way would finding out the hours that the farmers have been doing be any easier?

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: Mr. Speaker, my question is to the Honourable Minister of Highways. I wonder if he could inform the House of the current situation of the ferry service at Cross Lake.

MR. SPEAKER: The Honourable Minister of Highways.

HON. DON ORCHARD (Pembina): Mr. Speaker, right at the present moment, we haven't been able to continue the operation of the ferry at Cross Lake.

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We've undertaken a move from the existing location and have got the ferry in position to link up with the new road which was constructed over winter and will be finished, hopefully, by mid to the end of next week and we are in the process also, Mr. Speaker, of constructing new ferry approach ramps on both sides of the river so that we can use the ferry to return full service to the community.

MR. BLAKE: Thank you, Mr. Speaker. I have a supplementary to the Honourable Minister of Northern Affairs. I wonder if he could inform the House how this has affected the water services in the community of Cross Lake?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. DOUG GOURLAY (Swan River): Thank you, Mr. Speaker. As a result of the low water, of course, there is a problem to the water supply service. The original installation didn't take into account low level water intakes and we have a temporary submersible pump in place which will handle the situation until fall but if the low water continues until fall we'll have to make some other arrangement by that time.

MR. SPEAKER: The Honourable Member for Minnedosa with a final supplementary.

MR. BLAKE: Yes, a final supplementary, Mr. Speaker, to the same Minister. I wonder if he could inform the House what affect this has had on the fishing facilities in the community and to the Cross Lake loggers operation.

MR. GOURLAY: Well of course it has seriously affected the fishing there, Mr. Speaker, and also with respect to Cross Lake loggers, once the transportation system is in place, with respect to what the Minister of Highways indicated, the finished product will be able to be moved out to market. However, the intake of logs at the other end is a problem and we're looking at arrangements to get those into place so that they can be handled at the mill.

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

MR. BILLIE URUSKI: Thank you, Mr. Speaker. I asked a question to the Minister of Agriculture several days ago, during the estimates, which he undertook, in light of the serious cash flow and depression of cow prices on the market, is the Minister prepared to make a statement with respect to the Beef Income Assurance Plan?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, as the member is well aware, we'll be leaving the House, I presume we'll be leaving the House, to go into Committee of Supply where I could respond to that particular question at that particular point but at this time I'm not prepared to make a statement as we're still reviewing what we talked about and there is no change to this particular point.

MR. URUSKI: Thank you, Mr. Speaker. Has the Minister corresponded with the federal Minister of the Wheat Board concerning the alleged increases in bread prices as a result of the change in domestic prices of wheat? Has he corresponded with him with respect to objecting to the increases that are proposed in bread prices, with respect to the low increases in wheat prices, so that the farmers aren't blamed for the increase in bread prices as a result of the change in the price of wheat?

MR. DOWNEY: Mr. Speaker, I did not communicate to the Minister responsible for the Wheat Board when it was indicated that the bread price would rise, but I did respond to the federal Minister or communicate with him some time ago when the domestic price of wheat was not increased to help the farm community which I think it should have happened a lot sooner than it did.

MR. URUSKI: Thank you, Mr. Speaker. To the Minister of Consumer Affairs. Is the Minister of Consumer Affairs prepared to investigate any future increases of bread prices that may be over and above what would be incurred with the increased cost of wheat?

HON. WARNER F. JORGENSON (Morris): Mr. Speaker, it appears to me as though that question is somewhat hypothetical.

MR. SPEAKER: The Honourable Minister of Highways.

MR. ORCHARD: Thank you, Mr. Speaker. Mr. Speaker, I'd like to make a correction in Hansard that appears on Page 4043, the second line in the first column. It is not dry clear, Mr. Speaker, it is Dyclear and that same spelling error appears at a later date in that paragraph.

MR. SPEAKER: I thank the Minister.
The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I'd like to direct a question to the Attorney-General responsible for the Liquor Control Commission and ask him whether it is a serious offence to exceed the prescribed seating limits in a licensed dining room.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, the question is, I submit, out of order, suggesting that I offer a legal opinion. Obviously, the member wishes to follow it up with some specific example.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I would ask the Minister responsible for the Liquor Control Commission to take a look at the prescribed seating limits in the MLAs' dining room and the number of chairs, because it exceeds it by at least six or seven, and I assume that is in violation of the Act.

MR. SPEAKER: The Honourable Member for Churchill.

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MR. JAY COWAN: Thank you, Mr. Speaker. My question is to the Minister of Highways. I would ask the Minister if he can indicate if the ferry to Split Lake is in service now.

MR. SPEAKER: The Honourable Minister of Highways.

MR. ORCHARD: Mr. Speaker, I'll check and provide that answer tomorrow.

MR. COWAN: Thank you, Mr. Speaker. I would have hoped the Minister would have the answer to that; perhaps a member from the other side can ask it and I will get a quicker answer. My supplementary is to the Minister of Health. Can the Minister indicate if there are any areas, any hospitals in the province, in which the essential services are not being provided adequately to this point by the unions that are out on strike?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: I think it would be imprudent and impolitic to answer that question at this juncture, Mr. Speaker. I think it will unfold. The response that the honourable member is seeking will unfold during the next one or two days.

MR. SPEAKER: The Honourable Member for Churchill with a final supplementary.

MR. COWAN: Thank you, Mr. Speaker. I would hope that the Minister does not have information in his possession that he is not sharing with this House, as it is a very important subject.

I would ask the Minister then if he is prepared to comment on the fact that the unions, themselves, are providing essential services in all areas where they have been asked to do so. Would he be able to confirm that to date — (Interjection)— the First Minister says, oh, knock it off. I assure the First Minister that this is a very important situation, very important to the members on this side of the House, to ensure that those essential services are in place. Would the Minister care to comment as to whether or not the unions are in fact in good faith, as they are bargaining in good faith, providing essential services when requested by the hospitals, themselves, and that there has been no breakdown in that system to date?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: I think that's generally true, Mr. Speaker, and certainly the CUPE Union has written me and MHO officials to advise that they are prepared to take care of any evacuation such as might be required in terms of hospital populations in centres like Kenora, etc., but it's a difficult question to answer at this juncture, because there is still considerable dispute in some areas as to what is a designated category of essential work, who is and who is not an essential designee, in the opinion of the union and in the opinion of management. That's not entirely resolved yet.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. VIC SCHROEDER: Thank you, Mr. Speaker. A question to the Minister of Finance. Could he advise as to whether anyone has been denied access to Potash Lease No. 5, which has been in the Mining Recorder's office for more than five years, prior to last Tuesday when I was denied access to that document?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Not offhand, I can't, Mr. Speaker.

MR. SCHROEDER: Thank you. A further question to the Minister of Finance. Can he advise as to whether he is now prepared to release a copy of Potash Lease No. 5, and if not, can he advise the House as to the amount of money payable yearly by Prairie Potash to the Government of Manitoba pursuant to that lease?

MR. CRAIK: Mr. Speaker, I'll take the latter part of the member's question as notice. With regard to the first part of the question, as I indicated the other day, the reference that he has made to the lease, or whatever the proper name for it is, it was not a document that had historically been tabled with the Mining Recorder's office and the information I gave him the other day was information which I subsequently was able to confirm. I haven't had an opportunity to yet examine it fully. I gave him the undertaking that I would, and I'll report back to him as soon as I have further information.

MR. SPEAKER: Order please. The time for question period having expired, proceed with Orders of the Day.

ORDERS OF THE DAY

ORDER FOR RETURN

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, I beg to move, seconded by the Honourable Member for Lac du Bonnet that an Order of the House do issue for a return showing the following information:

1) The amount of money spent since May 14, 1980 on the publicity campaign for program changes included in the White Paper on Tax Credit Reform, and more specifically, the amount spent for:

- a) purchase of advertising in daily newspapers;
- b) purchase of advertising in weekly, bi-weekly, and monthly newspapers;
- c) purchase of advertising on radio stations;
- d) purchase of advertising on television stations;
- e) creative work for production, lay-out, etc., of advertising and other publicity;
- f) services of advertising agencies or other services required for placement of advertising;
- g) printing of brochures; and
- h) writing and editing of material in brochures, advertisements, etc.

2) The total amount of money budgeted for the publicity campaign for program changes included in

the White Paper on Tax Credit Reform, and more specifically, the amount budgeted for:

- a) purchase of advertising in daily newspapers;
- b) and all other items from number 1 above, (a) through (h).

3) The department or agency of the provincial government on whose behalf each particular transaction was made.

4) The application forms provided in the brochures made available in response to requests arising from the May 22, 1980 advertisement in the Winnipeg daily newspapers.

5) The programs for which specific eligibility criteria is available in the brochures made available in response to requests arising from the May 22, 1980 advertisement in the Winnipeg daily newspapers.

MR. SPEAKER: Order please. I find some difficulty with this Order. I would assume that honourable members, having this from May 22 to the present day, May 29; is that correct?

MR. PAWLEY: Mr. Speaker, I would assume that it would be self-apparent to the date of the acceptance of the Order for Return.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: We'll accept the Order, Mr. Speaker.

MR. SPEAKER: Order please. I think before the Honourable Minister can accept it, the Order should be read from the Chair. Is that dispense? Agreement on that? Then the Honourable Minister has indicated he's willing to accept it. Is that agreed? (Agreed)

The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Minister of Finance 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.

MATTER OF GRIEVANCE

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW: I would like to speak, Mr. Speaker, on a point of grievance on a matter that concerns me very much. In this House we've heard the words overworked and underpaid and I refer this to our northern Manitobans who are fighting fires for the minimum wage of 3.15 an hour.

The First Minister said: I'm glad that you aren't fighting fires. I have fought fires, Mr. Speaker. In 1960, the early Sixties, there was a fire in Snow Lake, much the same as the fire today, that didn't receive the publicity these fires are receiving. My job was to hold the fire, contain the fire so it wouldn't attack Snow Lake. It was across a bog with deep muskeg 200 or 300 yards wide and the fire wasn't dangerous and we weren't working that hard. We decided that most of the crew would go for lunch

and a skeleton crew would remain. The people just got back from lunch hour and we started out; the wind came up, Mr. Speaker, and it was unbelievable. It would take the tops of trees, high spruce trees, pick them up and fire them from 100 to 200 or 300 yards over this bog. The people who stayed were trapped — some of them were trappers, some were experienced bushmen — they crossed the bog using poles as snowshoes, they got across that way. The miners of course went down the shaft. This was dangerous because if the fire went over the shaft, it would have sucked the air up and they would have died from lack of oxygen.

But, Mr. Speaker, the danger is there. You can't describe going for hours and hours and hours in intense heat; you can't take your shirt off, of course, because you would burn. If you start drinking water there is no stopping. You sleep when you get a chance; you change your clothes when you get a chance, until you come to the point of exhaustion. All this is done, Mr. Speaker, by fire fighters, predominantly native fire fighters.

Mr. Speaker, the dangers are obvious. If you get cut off you've had the course; if you get cut off in a bad fire you don't have a chance. If you do get out and have severe burns, Mr. Speaker, I think you'd wish that you had perished because they are the slowest hardest wounds to heal, this is the danger. For 3.15 an hour, Mr. Speaker, it's the second lowest in Canada and I won't go over the rates again, but I would say that in Alberta it's exactly double.

Mr. Speaker, these people have no paid holidays; they have no compensation, they're on their own; no sick pay; they have no security whatsoever. The only thing, Mr. Speaker, —(Interjection)— and no overtime in our province. The only thing they get, Mr. Speaker, is a short notice in the daily paper: Hats off to fire fighters. But once this fire is over, Mr. Speaker, and the glamour is over, they are reduced to another state where they are just called upon when they are needed.

Mr. Speaker, we aren't the only province that's having difficulty, trouble with fires. Our sister province, Saskatchewan, is having the same problem. The only thing here I see, Mr. Speaker, in this research we have done, they have 90 fires, we have 68; they have 19 helicopters, we have 14; they have 6 water bombers, we only have 3; they have 50 bulldozers working, Mr. Speaker, we have 10. Mr. Speaker, the fire is out of control in 16 and 23. —(Interjection)— I beg your pardon? Mr. Speaker, excuse me speaking while I'm having these rude interruptions.

Mr. Speaker, I know some members that of government would quite happily, willingly, pay these people more money. But the government, as a whole, Mr. Speaker, they're callous, no feeling, no heart, and most important, no guts.

Mr. Speaker, when you speak of overworked, underpaid, we have to compare with something. I'll go right to the very top, Mr. Speaker, the wages paid to the top dogs in corporations. Here are the Ford people, Mr. Speaker: Philip Caldwell, President. In a year he makes 1,030,100; he got a 52,000 raise in 1978. The vice-president was lower paid, he only received 999,000.00. International Harvester — this should interest you farmers, Archie McArdle, president, 1,907,000.00, he got a 830,000 raise in

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1978. General Motors, if you buy a Chev you know what you're paying for. Thomas Murphy, Chairman, 975,000.00; president Elliott Estes, 925,000.00, he got a 15,000 raise in 1978. The list goes on and on, Mr. Speaker, but I think I've made my point that the comparison between the haves and the have nots is great.

How can this government, Mr. Speaker, and this isn't the only government, the federal is the same, vote themselves a 50 percent raise. This is when they advise us, in the anti-inflation days, when they lost the government, they were the first ones to vote for themselves a 50 percent raise and this government is just as bad. —(Interjection)— They are going to give themselves, the backbenchers, us, 2,600 raise. How do you reason, how do you feel? The Cabinet is out of sight and the First Minister, my God, there's a man who's underworked and overpaid. And the Honourable Minister of Labour, Mr. Speaker, who has left the House, so often mentions when he speaks to the labour people, of having unionism in his blood, the feeling he has for the common people and the important part that he's played in labour. He boasts of the good relationship between management, labour, and himself. My God, Mr. Speaker, he was a bigger hypocrite than your former Minister who did nothing. —(Interjection)— Well, it's true though.

Mr. Speaker, I would like to ask, beg, demand, that these people who perform so well under such adverse conditions be paid a higher wage. And not like the Premier said, he will look into it. Mr. Speaker, that Minister of Labour before, she told me for six months she would look into who would be in charge, who would have the say in the mines — jurisdiction. I asked the question six times in over a year and she is still looking into it as far we they know. —(Interjection)— We had no trouble when we were government with this, no trouble, no sweat. There were pressures on to do it at that time. —(Interjection)— Mr. Speaker, these people feel bad about this. But the control by a leader who is heartless, the Minister of Labour whose heart is as hard as his brain is small, and the only thing I could do, Mr. Speaker, is advise this Minister to resign and at least put some one there. We've reached the bottom of the barrel and we can go no further down.

Thank you, Mr. Speaker.

QUESTION put MOTION carried and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Education and the Honourable Member for Virden in the Chair for the Department of Agriculture.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY — AGRICULTURE

MR. CHAIRMAN, Morris McGregor (Virden): I call the committee to order. We'll return to page 9, 6.(d)(1) and (2). I think there were some unanswered questions or something. The Honourable Minister.

HON. JIM DOWNEY (Arthur): Yes, Mr. Chairman. The question I believe from the Member for Lac du Bonnet was on the question of appeals. I indicated, I

believe, there were nine; in further review there were 10 appeals. All but one of those were to do with the Egg Producers Marketing Board, all except one.

MR. SAMUEL USKIW (Lac du Bonnet): All except one.

MR. DOWNEY: Yes, there was one to do with the Chicken Producers Marketing Board and that was on quota transfer and it was denied. Mr. Chairman, I don't have the details of those. It was in a hearing that was held and this is the results of it.

MR. USKIW: And what were the others?

MR. DOWNEY: All the rest were Egg Producer Marketing Board. Several of them were quota review, quota transfer and quota allocation.

MR. CHAIRMAN: The Member for Rock Lake.

MR. EINARSON: Mr. Chairman, on a point of order. What . . .

MR. CHAIRMAN: We returned to 6.(d)(1) and (2). There were some questions unanswered as we passed the resolution, but left these to be . . .

MR. EINARSON: Because, Mr. Chairman, we have passed that resolution.

MR. USKIW: That's right.

MR. CHAIRMAN: But also we give leave to come back to it. The Honourable Minister.

MR. EINARSON: Okay. All right.

MR. DOWNEY: On a point of order, Mr. Chairman. I agreed, the questions were on the hearings held by the Natural Products Marketing Council, I believe, and I agreed to provide the Member for Lac du Bonnet with the allocations or the appeals that were held.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, yes, I would like to ask the Minister whether any of the appeals here were rulings which resulted in a change of the board's position.

MR. CHAIRMAN: The Honourable Minister.

MR. DOWNEY: Mr. Chairman, I think I indicated to him there were some appeals that were granted.

MR. USKIW: Mr. Chairman, of these 10 that we are now discussing, were these rulings against the particular marketing board or substantiating the marketing board's positions?

MR. DOWNEY: Mr. Chairman, both ways.

MR. USKIW: All right. I have one request then, Mr. Chairman, and that is whether or not the Minister would agree, at whatever date is convenient to him, to file with our side a copy of all the transactions where there has been an appeal, the complaint and the resolution, and so on.

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MR. DOWNEY: Mr. Chairman, I'm not specifically clear on what the Act calls for, whether in fact that information can be . . . But they are hearings and I will endeavour to get that information for him. If it's possible I'll provide it for them.

MR. USKIW: Mr. Chairman, I don't know why the Minister would not want to make it public . . .

MR. DOWNEY: I didn't say I didn't want to.

MR. USKIW: I'm not aware of any section of the Act which prohibits the Minister from revealing that information to the Legislature. It's a public piece of information in the sense that people filing appeals do so before a publicly appointed body which is answerable to this Legislature through the Minister and, therefore, if we were denied the right to enquire as to the results of any of those appeals, then we would, in essence, be precluded as legislators from perusing the operations of his department or this section.

MR. DOWNEY: Mr. Chairman, I would see no problem in providing the information that is being requested on the appeals that he's requesting.

MR. CHAIRMAN: 6.(d)(1)—pass; 6.(d)(2)—pass. We'll go on to page 10 and Resolution 12, 7.(a)(1)—pass — the Member for St. George.

MR. URUSKI: Mr. Chairman, just to start things out, could the Minister give us the usual information with staffing complement, for the whole division, what are the increases and the thrusts?

MR. DOWNEY: Mr. Chairman, I'm surprised that the members of the committee want to hear another long opening speech of mine but I'm quite prepared to give him one. I'll have to get a glass of water first.

MR. URUSKI: We always like to hear you speak that's all.

MR. DOWNEY: I'm glad to hear that. Mr. Chairman, the member asked for a staff complement. Within this part of the department there's 121.14 staff man years which is up from 119.26 from last year, Mr. Chairman.

MR. URUSKI: Mr. Chairman, could the Minister please repeat that. I just missed that, I'm sorry.

MR. CHAIRMAN: Was that a question, I'm not sure? The Member for St. George.

MR. URUSKI: Could the Minister repeat that staffing complement again, Mr. Chairman, because I'm sorry I missed that?

MR. DOWNEY: Mr. Chairman, I know that we have a limited amount of time for doing estimates and I would appreciate the members paying attention to the answers that I'm providing.

MR. URUSKI: Mr. Chairman, I just couldn't hear.

MR. DOWNEY: Mr. Chairman, the staff complement this year is 121.14 compared to 119.26 last year, of which there's an increase of one

engineer and support, Mr. Chairman. One engineer and support.

MR. CHAIRMAN: 7(a)(1)— the Member for St. George.

MR. URUSKI: Mr. Chairman, the Minister was going to give us an overview of this division.

MR. DOWNEY: Mr. Chairman, basically in my opening comments I indicated, in the overall statement, that agriculture, land and water division of the department was one of the major areas of thrust, that I feel it's important that we continue to expand and further utilize the resource bases that are available to the agricultural community, particularly where it relates to agriculture and water services and supplying of that kind of infrastructure for the development of agriculture production. The main area of course has to be to further work with the councils who are involved at the local level, to work through our agricultural department people who are providing programs or helping to deliver programs that will expand the uses for the soils that we have throughout the province. Source water development for irrigation being one of the major priorities, with the small community sewage and water development and to continue on with the community wells and pipeline program that we put in place; not particularly the well program but the pipeline program which is important to make available to small communities and/or farmsteads, who are unable to provide water on their farms, that in fact there is a program to assist them for water movement.

I believe that given some support in these particular areas that they can build or develop their long-term equipment; that we will offset some of the problems that are created in times such as we have seen in the past few weeks of the extreme drought conditions; that if we have dependable water supplies developed, dependable pipelines and equipment in place to deliver those waters to the particular farmsteads that have needed them, or the communities, that in fact in the long-term basis it alleviates some of the need for emergency assistance programs, which in the long run cost taxpayers the same kinds of money. So to expand the agricultural base and further utilize the water that is available for agricultural community or to broaden the use of water and opportunities for the land use; keeping in mind that conservation of both the land and water is a pretty major part of the overall objective as well as fully utilizing the resources that we have.

MR. CHAIRMAN: The Member for St. George.

MR. URUSKI: Mr. Chairman, is there any changes or any surveys going on within the department with respect to identification. For example, in the Department of Highways there is a continuous survey going on in terms of identifying the natural resources and potential of sand and gravel. Is there an inventory or a survey going on within the Department of Agriculture with respect to the water supply sources that can be determined as to pattern within the province? Is there such a survey under way now?

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MR. DOWNEY: Not directly within the Department of Agriculture, Mr. Chairman, that is done by the Department of Natural Resources but communicated through to the Department of Agriculture. We actually don't have a survey team that are identifying water supplies, but we get that information from the Department of Natural Resources.

MR. URUSKI: Okay.

MR. CHAIRMAN: 7.(a)(1)—pass; 7.(a)(2)—pass; 7.(b)(1) — the Member for St. George.

MR. URUSKI: Mr. Chairman, with respect to the Agri-Water Branch, is this the area where the staff deal with the on-farm applications for water supply and the rural water services? Would this be the branch that deals with the on-farm site inspection and the like?

MR. DOWNEY: Yes, Mr. Chairman.

MR. URUSKI: Can the Minister give us an indication of the scope of the program that was carried on last year and what is planned for this year with respect to the numbers of applications and the like, and the amount of money involved.

MR. DOWNEY: Yes, Mr. Chairman, the scope of the program last year, we had some 30 projects for water source development throughout the province. Community water source development we had 20; and we had 4 area water pipelines which distributes the water, takes the water from the source to communities or can be available for farms that are in need of it; one for the community water and sewage program; that was last year's program. The request this year is for, at this particular point, we have some 35 communities who are requesting water source development; 6 area water pipelines have been requested at this particular time; and 23 community water and sewage programs that have requested.

MR. URUSKI: Mr. Chairman, I presume and I just want to ask the Minister the costs, that would be the actual capital costs, would be handled under Resolution 14, am I correct, where the explanation and the costs would be detailed there?

MR. DOWNEY: Yes, Mr. Chairman, they come under 14.

MR. URUSKI: Mr. Chairman, there are no actual physical costs that are undertaken in 7.(b) whatsoever. This is strictly the staff component and the engineers that do the investigation and the like.

MR. DOWNEY: Yes, Mr. Chairman.

MR. CHAIRMAN: 7.(1)—pass; 7.(b)(2)—pass — the Member for St. George.

MR. URUSKI: On (2), Mr. Chairman, could the Minister indicate with respect, are there more applications for on-farm work than the department can handle? Or has the staff been able to meet, and the budget been able to meet, all the requests?

MR. DOWNEY: Mr. Chairman, under the part that we're talking about under the programs I've just listed, or the projects, we have been able to handle the work that has been requested through the department. My understanding is that there haven't been any farmers going wanting for the service or any communities going wanting for the service.

MR. CHAIRMAN: 7.(b)(2)—pass; 7.(c)(1)—pass — the Member for Ste. Rose.

MR. ADAM: Mr. Chairman, I wonder if the Minister could advise what towns have been getting water in the last year, not additions, maybe towns, just new ones.

MR. DOWNEY: Mr. Chairman, the member is asking for new projects that have been taken on, new towns that have requested the support of the Manitoba Water Services Board, not additional extensions.

MR. ADAM: Well, unless somebody else wants it.

MR. DOWNEY: Last year, Mr. Chairman, the question was for last year.

MR. CHAIRMAN: The Member for Ste. Rose, would he clarify the year he was asking for?

MR. ADAM: I was asking for last year and any new ones up to this point. Mr. Chairman, I wonder if the Minister perhaps could read them into the record so we know.

MR. DOWNEY: Okay, Mr. Chairman. The projects for last year were towns, to start it off: Arbor with sewage lagoon expansion; Blumenort, sewage collection and treatment system; Dauphin, Deloraine, Elm Creek, Foxwarren, Gimli, Grandview, Grunthal, Hamiota, Ile des Chenes, Morris, Neepawa, Ninette, Oakville, Portage la Prairie, Reston, Roblin, Ste. Rose du Lac, Shoal Lake, Stonewall, Swan Lake, Virden and Wawanesa.

MR. ADAM: I wonder if the Minister could advise if a community of Laurier, Manitoba, if they made an application and is there other programs besides this?

MR. DOWNEY: Yes, Mr. Chairman, I just listed some under the Agri-Water Agreement earlier, or gave the numbers of projects under the Agri-Water Program. These are under the Manitoba Water Services Board but for smaller communities we have the Agri-Water Program which they can apply for. Is there a specific town that the member has in question that he is wondering about, the status of it? What town is it?

MR. ADAM: Laurier. It's a bilingual town, maybe they won't put it in . . . These Anglo-Saxons won't put any in.

MR. DOWNEY: Mr. Chairman, on the town of Laurier there are negotiations, I'm told, taking place between the town and the Agri-Water Program at this particular time. It is in the process of discussion between the town and the department.

MR. ADAM: On the matter of Grandview. Mr. Chairman, in the work that was done at Grandview last year, apparently there's some problems there relating to flooding of neighbouring farms. Recommendations by the resources that the dam should be lowered or changes made in that area so as not to flood the eight or nine farmers that are involved. I don't know what extent that they're being flooded out but it's a perennial thing and they have a whole file on it here, Mr. Chairman. I can put it in the record, Mr. Chairman, but we'll be here for half a . . . But there's a petition here as of April 21st, 1980, addressed to Mr. Griffin, Chief of the Rural Water Services, in regard to this problem, and it appears to be signed by about 30 farmers or residents in the area, in regard to this continuous problem that is taking place. There is also a letter from Mr. Moffatt, I believe, 1979, that the licensing of the elevation is not being adhered to and they keep putting soil or they keep adding on to the dam every spring, or every fall, and it washes out every spring and they keep doing this. Not only are they damaging the environment or the river there with this silting and so on, but there is a problem there. I'm wondering if the Minister is aware of this problem and if he is, what does he suggest be done there? I believe the major problem developed after a highway was put in, or something.

MR. DOWNEY: Mr. Chairman, the member brings to attention a problem between a community and what is actually between the Department of Natural Resources. That's who has the dam in that particular area and that is not in direct relationship to the Manitoba Water Services Board.

MR. ADAM: I wonder if the Minister could then tell us just what happened as far as the Water Services Board, what was done there in Grandview?

MR. DOWNEY: Mr. Chairman, to the best of my information the Water Services Board are not involved in that particular issue.

MR. ADAM: The Minister has just told us that there has been work done at Grandview. Could he explain what has been done?

MR. DOWNEY: Yes, Mr. Chairman, a water main renewal.

MR. URUSKI: Mr. Chairman, could the Minister indicate the formula difference between the Agri-Water Services and the regular program under the Water Services Board? As I understand, the mill rate is, I think, it's 8 and 12 on the regular program. What is the formula under the new Agri-Water Services Program and where are the differences between the two programs, Mr. Chairman?

MR. DOWNEY: Mr. Chairman, under the Agri-Water Program it is targeted at towns under 350 people and farmsteads, and there is a direct grant available of up to 2,000 per connection for the towns.

A MEMBER: It has nothing to do with mill rates?

MR. DOWNEY: No, it has nothing to do with mill rates. The mill rate program is still in place for Manitoba Water Services Boards and hasn't changed any over the last few years, it's still consistent over the last few years. The Agri-Water Program pays up to 30 percent of the cost up to 2,000 per hookup, Mr. Chairman.

MR. URUSKI: Mr. Chairman, could the Minister indicate the extent of generosity of this program as compared to the other? How would it compare in terms of the analysis of the community? Are they very similar in terms of the amount of money towards the project cost to a community?

MR. DOWNEY: Mr. Chairman, in the development of the program the department and staff have worked it out and it is fairly comparable. It is pretty much comparable to the other program, except for those towns under the Water Services Board Program where, in fact, those towns have used up to 20 mills. For any one less than that, it would differ somewhat but if they are getting full application of the mill program, as in relationship to this, they are pretty well comparable.

MR. URUSKI: Pretty well the same. Mr. Chairman, would the mill rate application be involved in terms of payment for water usage to the small communities as it is in most? Would their source be strictly on their own, that they wouldn't have to apply to the Water Services Board for a rate on water or how does it actually work in the small communities?

MR. DOWNEY: Mr. Chairman, in the small communities they operate their own plants.

MR. URUSKI: Out of a well and it would be handled on their own completely.

MR. DOWNEY: Yes.

MR. URUSKI: Fine.

MR. CHAIRMAN: 7.(c)(1)—pass; 7.(c)(2)—pass; 7.(d)(1)—pass — the Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. With respect to the Crown land section, Mr. Chairman, could the Minister indicate what is government's involvement and the extent of sales of Crown lands in this last year that the department has direct jurisdiction over? We know that there are Crown lands that have been administered by the province on behalf of local government districts. The Minister may want to indicate what is transpiring with respect to negotiations between the province and the local government districts, because those Crown lands were under the administration and under the jurisdiction of the Crown Lands Branch, although they were not lands that were provincial Crown lands. Could the Minister give us an update as to what has transpired in this last year?

MR. DOWNEY: Mr. Chairman, as I am sure the member is aware, the Department of Agriculture looks after the allocation of the leases and the leasing of the agricultural lands. The lands that have been identified by the LGDs and are held in trust by

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the province for those LGDs, if they are desirous of selling them, the LGD, then they are released for sale by the LGD. So that's basically it. The actual sale of Crown lands within the government are handled by the Department of Natural Resources again.

MR. URUSKI: Mr. Chairman, have there been Crown lands that were administered by his department that have been sold?

MR. DEPUTY CHAIRMAN, Henry J. Einarson (Rock Lake): The Honourable Minister.

MR. DOWNEY: Mr. Chairman, as far as the actual selling, I've indicated that comes under Natural Resources and the Department of Agriculture handles the leases of those properties.

MR. URUSKI: Mr. Chairman, the Minister would have, I'm sure in his statistics, how many lessees or how many acres the department has under his jurisdiction and maybe he should even — (Interjection)— Yes, well, Mr. Chairman, that's a relevant point in terms of how many leases have terminated as a result of sale of lands. But one could also, I'm sure the Department of Agriculture has the numbers in statistical form, the numbers of acreages that are leased, the type of leases there are and the number of acres that are administered on behalf of LGD. Those breakdown of figures should be available in the department and whether another department handles the actual sale of which would reflect on the number of lessees that the department has in its own records, Mr. Chairman.

MR. DOWNEY: Mr. Chairman, there are 29 leases that have been released from the Department of Agriculture and they could be in the process of being sold.

MR. URUSKI: Mr. Chairman, can the Minister tell me whether those lands have actually been sold?

MR. DOWNEY: Mr. Chairman, to be specific on whether they have been sold to this point, no I can't answer that because I don't know, but they could be released. I think, mainly, they would be released for sale but I won't respond totally because we would have to check with the Department of Natural Resources to find out if they were sold. But what I am indicating is the information we have, that 28 have been released from the administration of our department.

MR. URUSKI: Mr. Chairman, could the Minister give either the number of quarter sections or the approximate number of acres in terms of the parcels of land? Well, whichever way is easier for the department. If he tells me that there are 15 or 20 quarters or 28 quarter sections of land that have been released, or is it 5,000 acres, whatever the amount is, whichever way is easier for them to come up with.

MR. DOWNEY: Mr. Chairman, I don't have that breakdown available here but I can get it. I don't have the breakdown whether it's quarters or halves but I would provide that as soon as I get it.

MR. DEPUTY CHAIRMAN: Is that agreeable to the member?

The Member for St. George.

MR. URUSKI: Mr. Chairman, with respect to the allocation of leases in terms of . . . Could the Minister indicate to me what the procedure is and the regulations are with respect to the allocation or the changing of leases of Crown land from a casual hay permit to a renewable hay permit, or leases of that nature? In other words, from a very short-term annual lease to a longer term lease basis what the procedures are that are normally undertaken and handled by the department.

MR. DOWNEY: Mr. Chairman, if I understand the member correctly, if there's to be a reclassification of the land from a short-term purpose to a long-term purpose? —(Interjection)—

Mr. Chairman, the land is reviewed by the Crown Land Classification Committee and if there's any department that sees that there's a need to retain it on a short-term basis, then in fact it is retained on a short-term basis. If the client wants to go into a longer term lease then he applies and then it's given consideration.

MR. URUSKI: Mr. Chairman, I've brought to the attention of his department and I will bring it now to the his attention and I will be following it up with correspondence on some specifics. That deals with where an allocation . . . The decision has already been made by the departments in consultation with the other departments that the land can be turned over from a casual to a renewable hay permit on a long-term allocation.

As I understand it, I'm given to understand that the procedure is that before a long-term allocation is made there is a notification put out and interested parties can come in and indicate their interest and people who have leased the land on a casual basis previously are usually notified, and there's a one-year period in between the time that it changes from a casual to a long-term, if someone else happens to pick up that lease.

Mr. Chairman, I want also to ask the Minister what kind of notices go out in cases where the land is being advertised and a change of lease procedure is being undertaken or being contemplated. Is there a registered letter to the present lease holders or is it primarily a regular letter and a notice in the paper, or what is the general procedure?

MR. DOWNEY: Mr. Chairman, the information I have on the procedure, the administration of it, is that the people who are interested in it are notified, as are those who have been holding the permits are notified, and then it's allocated on the normal process of allocating lease land.

MR. URUSKI: Mr. Chairman, could the Minister indicate to me what is the normal process of allocating the lease land? Has the allocation system been changed from what it was three years ago?

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MR. DOWNEY: No, basically, Mr. Chairman, it's the same policy of allocation of Crown lands . . .

MR. URUSKI: Under the point system?

MR. DOWNEY: The point system is still in place.

MR. URUSKI: Mr. Chairman, could I suggest to the Minister, in terms of notification of prospective lessees or those that had the short-term permit be notified by registered mail that there is an intent to change the lease process. The reason I make that suggestion, Mr. Chairman, rather than a regular letter, is that I've had occasion at the present time where several farmers had for a number of years short-term hay permits from the department for a number of years. Because the land in question is subject to flooding periodically, they normally go in to settle their hay leases not in the fall of the year but after the winter months and towards the spring of the year. I am advised that they claimed they did not receive notification of the change of procedure of the lease from a short-term to a longer term and, as a result, there was only one applicant for the lands in question and they were allocated to this individual, who happens, Mr. Chairman, to reside 25 miles away from the existing lands.

I've raised it with the department and they have come back and have indicated that, well, the fellow indicated that he required; we notified everyone else and since there were no other applicants, the land was allocated to him. Mr. Chairman, I make the suggestion that notification take place by registered mail because of the impact that it has made, in this instance, on the producers in question. It has had an economic impact on the producers in question, a very negative impact on their operations. They had relied on this land for a number of years, in terms of the hay cutting and what has happened even worse, Mr. Chairman, is that the hay was not, at least was not cut until they approached the farmer who was given the lease and, if I understand the regulations and the Minister can confirm, that there is not to be a sub-leasing of the land that is leased to an individual.

In other words, the hay in question was cut on a share-crop basis and that was the only way that the hay could have been cut because that individual had neither the equipment nor the time to go into the area. And I ask the Minister to consider that request of re-allocating and I will be bringing the specific matter to his attention and asking him whether or not there is a regulation in effect that if land or the resources are sub-let, that is a violation of the leasing agreement, Mr. Chairman.

MR. CHAIRMAN: The Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I would like to ask the Minister whether he is familiar with the procedures that have been used by Mines and Resources in the allocation, or the sale that is, of the properties that were formerly leased and administered by this department, terms of rights of first refusal on the part of the lessee etc. What is the procedure? Yet keeping in mind the right of the public to have an opportunity to give offers to the government for the same properties.

MR. DOWNEY: Mr. Chairman, I can respond to it although it would have probably been better in the other department or committee but I'll just respond briefly to him. The policy is to offer the land to sale for those individuals who are leasing it; that if those individuals are desirous of continuing to lease, that they are able to be able to continue to lease. They are not being forced to buy the land.

MR. USKIW: There's a procedure though; there is a procedure.

MR. DOWNEY: The member is asking the procedure. The procedure would be for the individual, if he's held the land for two years or had it at least for longer than two years, that he would apply to Crown Lands. The Crown Lands is appraised and he is given the offer to purchase if he is prepared to purchase, Mr. Chairman, or continue to lease. Remember, the land that we are offering for sale at this particular point are the lands that have been in agricultural long-term leases.

MR. USKIW: Mr. Chairman, I just want to make certain. Then I'm correct in assuming that if a person prefers to continue his lease, that the lands cannot be sold from under his lease arrangement.

MR. DOWNEY: That's correct, Mr. Chairman.

MR. USKIW: The other point I would like to clarify is, it seems to me . . . Well, it's my understanding that the existing lessee, if he wishes to purchase, must submit a deposit — I believe it's 50.00; yes — and subsequently an appraisal is done and that appraisal is submitted to the lessee for his consideration. At that stage he can choose to say, yes, I am willing to pay that price for the land and opt to purchase, or can he say, no, your price is too high, I now wish to continue to lease, or has he precluded himself from continuation of the lease once he makes an offer to purchase? I hope not, too, but I would like to know.

MR. DOWNEY: Mr. Chairman, he can continue to lease.

MR. USKIW: Even if he had originally offered to purchase and decided the price was not right?

MR. DOWNEY: Yes, Mr. Chairman.

MR. USKIW: He cannot be moved from that . . . ?

MR. DOWNEY: That's right, Mr. Chairman.

MR. USKIW: That's fine. Well, I'm very pleased to hear that, Mr. Chairman, because I could foresee tremendous problems otherwise. The other question, Mr. Chairman, is what arrangements were entered into with the LGDs with respect to how they are disposing of LGD lands, lands which were formerly administered by this department? Was there a transitional agreement in order to protect existing lessees so that there would not be sort of a mixed bag of methods as between one LGD and another in the disposal of those assets? Is there a uniform system across the province as per agreement with

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the LGDs when the province gave up administration of these lands?

MR. DOWNEY: Mr. Chairman, the lands that are under lease are continued on to be administered by the Department of Agriculture. As far as the disposition of the LGD lands that are held in trust, we haven't imposed our policy on them and there isn't an agreement between.

MR. USKIW: There has to be a transitional agreement.

MR. DOWNEY: Mr. Chairman, the member is asking if the same sale policy is being carried out by the LGD as with the government?

MR. USKIW: No, I'm not asking that.

MR. DOWNEY: Mr. Chairman, then if this is the question that he's suggesting, that how is the land transferred from the province to the LGD, well, if he'd clarify his question.

MR. USKIW: Yes. I'm assuming that certain blocks of land have been requested to be transferred back to the LGDs and, in connection with those parcels, is there an agreement as between the province and the LGD as to how those lands are to be allocated, disposed of? Is there a formula, given the fact that those lands have had a lessee operating them and a lessee arrangement with this department? Now, how do you break that off and then say, well you're now dealing with another jurisdiction? There must be a transitional period when the province hands over its lessee contracts to the LGD in order to protect the lessee who is there at the time; so that an LGD couldn't make a decision that they are going to remove that land from that lessee simply because they now have the jurisdiction. Surely there must be some method of transition to protect the original lessee or the existing lessee.

MR. DOWNEY: Mr. Chairman, the answer to the member is, if that is the case, then the province has an agreement with the LGD to give them unencumbered land; the LGD take unencumbered land from the province to facilitate this kind of a situation that the member is talking about.

MR. USKIW: Let's take an example, Mr. Chairman. Let's assume that farmer A has a lease that's going to take him into the next three years but in the meantime the province has decided to give up the jurisdiction or the administration of these lands and place them back in the hands of the LGD in the middle of this lease period, what then is the position of the LGD with respect to honouring the existing lease arrangements that were held between the province and the lessee, and then the subsequent sale of the property if it is offered for sale?

MR. DOWNEY: Mr. Chairman, we have some agreements in place with some of the LGDs at this particular point and some we're still negotiating with, but where a farmer has land leased from the province, that is LGD land held in trust, that land is not sold, Mr. Chairman, or transferred back to the LGD. The province protects the lease-holder's rights

and in return for the LGD, to the LGD we make alternative Crown lands available to those LGDs.

MR. USKIW: All right, so the Minister then is indicating to the committee that there is a land trade-off arrangement so that, in essence, an existing lease arrangement is not affected by a compensation program to the LGD to offset the fact that the province has taken over ownership of their lands which were in trust; that is correct.

MR. DOWNEY: That is correct, Mr. Chairman.

MR. USKIW: The Minister then doesn't foresee a situation that I have described arising whatever, is that the point?

MR. DOWNEY: That's correct, Mr. Chairman. I believe it is certainly our responsibility to protect those people who are on the land and who are farming with the intent of continuing on, either to purchase or to lease, that they are not forced into a situation by the government or by local LGDs where they're in a difficult situation. We want to protect that right of those particular individuals.

MR. CHAIRMAN: The Member for St. George.

MR. URUSKI: Yes, Mr. Chairman. Could the Minister indicate whether there have been agreements for cash for land exchanges or does it strictly come out land for land exchanges between agreements, between the LGDs and the province? Have there been instances where we have actually paid cash in lieu of lands, or have there been actual land trade-offs?

MR. DOWNEY: Mr. Chairman, at this point it's been land for land trade-offs.

MR. URUSKI: Mr. Chairman, the Minister didn't answer my question earlier with respect to regulations in terms of sub-letting leases or the leasing of land to other parties, whether that is generally held as a violation of the leasing agreement.

MR. DOWNEY: Mr. Chairman, there is no change at this particular time but in light of the current weather conditions that we're seeing there may have to be some review done of that particular policy because the objective, at this point, should be whether there is livestock feed for cattle. But at this point, as I have indicated, there is no change.

MR. URUSKI: Mr. Chairman, when the Minister says there is no change, is he acknowledging that generally the lessee is the one to make use of the land and if he is not making use of the land, then the lands really then can be reallocated? I am correct in that assumption?

MR. DOWNEY: Yes, Mr. Chairman.

MR. URUSKI: Therefore, Mr. Chairman, given the fact all the circumstances being equal, the farmer should be able to, if he undertakes a lease, should undertake to carry out the terms of the lease and if

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he is not so doing, then he would be generally in violation of the lease.

MR. DOWNEY: He would be subject to cancellation, Mr. Chairman.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. ADAM: Mr. Chairman, I notice that there has been a change in the Appeal Board. I believe the number has been increased to begin with. Under the previous administration I believe we've had three members appointed, people who were not involved in leasing land. As I recall, there were none of the members actually leasing land that were farmers but they were quite independent. I understand there are now seven; is that correct?

MR. DOWNEY: No.

MR. ADAM: Well, how many are there; five?

MR. DOWNEY: Mr. Chairman, for the correction of the Honourable Member for Ste. Rose, there are five members on the Crown Lands Appeal Board. I'm sorry, Crown Lands Advisory Committee is the proper name for that group.

A MEMBER: It's not an appeal board.

MR. DOWNEY: No, well under the Act.

MR. ADAM: Well, they handle appeals.

MR. DOWNEY: That's right.

MR. ADAM: Do they have different responsibilities than the previous?

MR. DOWNEY: No.

MR. ADAM: It's the same function.

MR. DOWNEY: That's correct.

MR. ADAM: They just handle appeals. I'm wondering why it was necessary to increase the number. What was the reason? Was there a reason for that?

MR. DOWNEY: Mr. Chairman, I really wasn't aware that it had increased at this point but I can check back and see why the last government only had three or four or two. I don't know; I'll check it out.

MR. ADAM: To my recollection, Mr. Chairman, there were only three. The reason I bring this up is not because the government tried to create two more jobs, that's their prerogative if they want to do that. I recall that when the first committee was set up to review these applications, the recommendation comes from the department field staff or some one on the first recommendation as to who should get a particular lease and there may be four or five applicants involved. As I recall, after the Appeal Board was set up, there were a great number of changes from the original allocation and, as the program went on, I believe the department tuned in to what the Appeal Board was trying to do. In other words, what I am saying is that in the beginning that

the Appeal Board was set up and the department made the first decision as to who should have a lease out of five applicants or three applicants or whatever. And the Appeal Board was making a great number of changes, reversing the decision of the department. Later on, as the program continued after a year or so, the department appeared to understand how the Appeal Board was reviewing this situation. Now the Minister says there is no changes in the allocation, the point system, and so on. But I look here in the Report and there appears to be a large number of decisions being changed by the Advisory Committee.

MR. DOWNEY: Mr. Chairman, if I can speak to it the way I think it should operate and the way I would be expecting it to operate is the fact that the department allocate the leases on the point system in allocation of that land, without pre-judging what, in fact, the Appeal Committee may suggest. And if he is suggesting, under his government when he was a member of government, that, in fact, the department was trying to line up with that Appeal Committee, then I don't think it was proper.

MMR. ADAM: And that is happening now then?

MR. DOWNEY: No, Mr. Chairman. What he has said and he can check Hansard, what he has said, that as time went on with the Appeal Committee that they, in fact, lined up what, in fact, the Appeal Committee wanted. At this particular point, Mr. Chairman, he is indicating that the Appeal Committee are making different decisions to a larger extent than what the department are. Now he said that. I'm just re quoting what he has said in the record. As far as I am concerned the Appeal Committee is in place to see that the individuals who have applied for land, or have appealed a particular allocation, that committee hear the appeal and make the ruling on the best judgement available to them on the information and the best way they see fit. Otherwise there would be no point in having an Appeal Committee. The Appeal Committee is for the protection of the public at large who are not satisfied with the judgement or the allocation by the department. That is the purpose and I would not want to see it any different, Mr. Chairman.

MR. ADAM: Well, I see the same pattern happening here, again, because it seems as though, this is a new board, it's only been established a year or two and it appears that they have to reverse the decisions made by the department to quite an extent. However, I wanted to ask another question on the sale of improvements or the purchase or improvements where a lease is given up or transferred or whatever and the department or the government buys the improvements. According to the report here, we have recaptured approximately 87 percent of the improvements by re-leasing to other people and they have picked up the improvements. I'm wondering why we have lost 13 percent of the improvements. Are we paying too much for the improvements? Are the appraisals too high? It should be dollar for dollar, why should we lose?

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MR. DOWNEY: Mr. Chairman, when the lands are given up, or they are paid for the improvements that are made to the Crown lands, I guess you could consider one of the reasons for the less money being recovered is the fact that certain things, improvements, depreciate when it comes to fencing, when it comes to a dugout, well you can depreciate your dugout, it's a matter of an appraisal and an actual appraised figure put on it and the original cost. That would be the basic reason I would consider, Mr. Chairman.

MR. ADAM: I think the Minister has missed the point, well he did miss the import of my question. I believe he is correct when he says that the improvements depreciate over the years; that is correct. So when the Crown purchases these improvements, they would be the original price less the depreciation. The question I am asking is, when we turn this over to another lessee, these improvements, why are we losing money on the transfer, unless there's a lag time?

MR. DOWNEY: Mr. Chairman, that's right. It's indicated by staff, it could be a year of two of a lag time which could be the reason for the difference, is the length from when one lessee has it until it's released again, it could be one or two years. So that would be another reason for the difference.

MR. ADAM: A further question on this is, when a parcel of land is sold to a lessee, how does the improvements affect the purchase price or the appraised price?

MR. DOWNEY: Mr. Chairman, any improvements put in place by the person who is wishing to purchase it, that is deducted from the purchase price.

MR. ADAM: I want to ask about a particular case in the Waterhen area. I guess the Department of Mines and Resources have the first priority on Crown lands.

MR. DOWNEY: No, not necessarily, Mr. Chairman.

MR. ADAM: Okay then. I want to give you a specific example. There is a lessee in Waterhen who has a half section and fractions. They are fractions, Mr. Chairman, because part of these lands go into the Waterhen River and he has half a mile between the provincial road — it's not a provincial road but it's a market road going north of Waterhen to Mallard, community of Mallard — and he's on the west side of the road, on the east side of the river, and he raises horses, quarter horses and different, Appaloosa's (?) and so on. It appears that the Department of Mines want to change this over to cottage lots or something along that effect. He said he's had these lands for a number of years and he has other leases in the area further away, but he wants to build a homesite on these leases. They are trying to discourage him or they are threatening to take these leases away from him and he has been down to see me about two weeks ago to find out just what alternatives are open to him. He said, what about if I tender to buy? They said, well, you know,

you're going to have to pay 89,000 if you want to buy these leases. Now I don't know where he gets the arbitrary figure but I think this is the field staff that made these comments that he would have to pay 89,000.00. I don't know where he gets that figure but anyway, this is what the fellow said, and the man's name is Friesen, by the way, he's a Mr. Friesen. Of course with those kinds of figures being bandied about by field staff, and I don't know who it is and whether the statements are in fact correct, I only have the one side of the story. But anyway, he said, well all right, if you're going to divide up these leases for cottages, rather than agricultural leases, let me purchase a few acres so that I can build a home on it. He is able to put a building on the site and get financing for it, get financing to construct a new home and bring his family there but he can't get any assistance to build a home until he can get the land, and for some reason it seems to be up in the air at the moment, with all this confusion and I would sure like — I'm sure the party who is involved would sure be happy — if this confusion could be resolved. Now he was supposed to have come in to Winnipeg about ten days ago, after I suggested he come in to Winnipeg and get in touch with the Crown Lands and make an offer to buy it, and see what they say because I know the Minister is selling land. I mean I'm not sure this Minister is doing it but we are now selling Crown Land so why shouldn't this person have the same opportunity to bid on land, if it's available?

MR. DOWNEY: Well, Mr. Chairman, first of all, if the member had been listening earlier when I commented that we are selling land, only those Crown leases that are long-term leases, to those people who are leasing it. Now if he has an Agriculture Crown Land Lease, he has the ability to go ahead or the opportunity to go ahead and buy it. If he doesn't want to buy it, he's not forced to. I would like the member to take to the department, or specify, find out who he has the lease with. It could be Natural Resources under some water agreement, or whatever, but if it is an agricultural long-term lease it's appraised and on those appraisal prices is able to go ahead and proceed.

Now, if you want to provide more information, and I would suggest you do it through the department on that specific lease so we can continue on with the estimates here, but I would be quite prepared to find out; give him the name of the department and see what type of a lease he has and if he qualifies, fine. If it isn't one of those lands, then at this particular time there isn't a sale policy on that particular kind of land.

MR. ADAM: Just one last question and that is, if he has a year-to-year lease, say from Northern Affairs or from Mines and Resources then he . . . It has been suggested he can buy it, if he's willing to put up 89,000, and he's been told that by those . . .

MR. DOWNEY: Mr. Chairman, the member suggested that figure of 89,000 was an arbitrary figure that he said he got it from some place. We can't deal here on arbitraries, on assumptions. I think we should have a little more basic information so this can be dealt with properly.

MR. CHAIRMAN: I think I have to draw the attention to the committee that the clock there, I guess by electrical, is running slow and not knowing where the other clock is so I'll call it 4:30. I am leaving the Chair for Private Members' Hour. We'll return at 8:00 p.m. (tonight)

SUPPLY — EDUCATION

MR. CHAIRMAN, Abe Kovnats (Radisson): This committee will come to order. I would direct the honourable members to page 39 of the Main Estimates, Department of Education, Resolution No. 50, Item 1. Departmental Administrative Support Services, (a) Minister's Compensation — the Honourable Minister.

HON. KEITH A. COSENS (Gimli): Thank you, Mr. Chairman. The Department of Education continues to provide essential leadership and support to the educational system in Manitoba. During the past year there have been some changes in senior personnel within the department. Dr. W. C. Lorimer, who devoted many years to education in Manitoba, retired on June 30th. Mr. R. A. MacIntosh, Director of Education, St. James-Assiniboia School Division, was appointed Deputy Minister. Dr. Lorimer has been named chairman of the Universities Grants Commission to replace the late Dr. W. J. Condo. I am sure that all members of the House join me in paying tribute to Dr. Condo, who served as chairman of the Universities Grants Commission under two administrations. His devotion to furthering education in the province, particularly at the university level, is well known and his valued contribution will be sorely missed. Mr. P. Penner was appointed Assistant Deputy Minister responsible for the Community Colleges Division when Mr. L. Talbot resigned to take on a new position in Lethbridge. Dr. R. Duhamel succeeded Mr. R. Hebert as Assistant Deputy Minister in charge of the Bureau de l'Education Francaise. Mr. R. Hebert resigned to go into private business.

Having noted some changes in senior staff, Mr. Chairman, I wish to comment also on the fine work done by all of the staff in my department and to express my appreciation for the effective way in which they have assisted me in managing educational affairs in Manitoba.

The principal organizations in education, Mr. Chairman, the Manitoba Association of School Trustees, the Manitoba Teachers' Society, the Manitoba Association of School Superintendents, the Manitoba Association of School Business Officials, have also played an important role in education during the past year and I wish to acknowledge their contributions and their co-operation.

The Department of Education has two major components. One deals with elementary and secondary education and the other with post secondary education. The 1979 Annual Report of the department distributed to all members has the organizational chart and I suggest the members will find it helpful to review that particular chart.

I also wish to draw to the attention of the members that the names of two branches were changed to correspond more closely to the functions assigned to those particular branches. The Special

Projects Branch is now called the Post Secondary Career Development Branch and the External Administrative Consultant Services Branch is now designated as the Field Services Branch. The re-established Field Services Branch has been strengthened and reorganized. The branch, now headed by a full-time director, is operational in five regions: Winnipeg, Southeastern, Northeastern, Northern and Western Manitoba, with offices in Winnipeg, Thompson, Dauphin, and Brandon. In keeping with the reorganization, and in accordance with the goals and objectives announced last year, the branch has moved rapidly to intensify its liaison with school divisions and independent and native reserve schools and become more knowledgeable about the educational delivery services that are being provided in all school systems. The branch is now providing feedback which is vital to the effective operation of the Department of Education.

An important function of the Department of Education is to provide the necessary financial support to public schools in Manitoba. I was pleased to announce in late January that a number of changes had been made to grants payable to school divisions in 1980. The following are the major changes which were announced: The grant for transportation of pupils was increased from 255 to 290 per transported pupil. The grant for print and non-print materials has been increased from 16 to 20 per pupil. The general per pupil grant was increased from 307 to 365 per pupil. The declining enrolment grant, which has remained unchanged for the past several years, is continued for another year but the rate has been increased from 350 to 500 per pupil. The amount allocated for equalization grants is 22.7 million, which represents an increase of 1.6 million. The distribution is on the basis of a revised schedule attached to the letter which was sent to all school boards.

With regard to the method of paying these grants, the government of Manitoba has approved a plan whereby 40 percent of each school division's estimated entitlements will be paid in April, followed by a further 10 percent in each of the months of May, June, September, October, November, and December. For 1980, the revised cash flow will commence in June with an adjustment made for any advance prior to that date. This will assist school divisions very substantially in reducing interest charges due to borrowing.

I believe that these improvements enable the Department of Education to maintain its proportion of the cost of funding education in Manitoba for the current year. But I want to emphasize that it is the intent of the Government of Manitoba to complete its review of education financing and to develop a new system before the end of this calendar year.

A study was conducted by the staff of the Department of Education, together with representatives from the office of the Provincial Auditor and the Manitoba Association of School Business Officials, to determine the feasibility, including estimated costs, of preparing and implementing a standardized system of accounting and financial reporting to be used by all Manitoba school divisions. The group conducting the study favoured the plan and the Public Schools Finance Board will be assuming responsibility for the project.

Although no time-frame has yet been established it is expected that the project will take two to three years for completion. It is further hoped such a measure will assist school boards in their financial deliberations.

The Research Branch also operates as a service unit providing research support for planning, policy making, management and assessment to all sections of the department, elementary, secondary section, community colleges' section and the Universities Grants Commission. During the past year the Research Branch, among other things, sponsored a conference on declining enrolments; developed a provincial projection of public school enrolments for the period 1980 to 1985 based on pre-school population information from Family Allowances information; did an assessment of the utilization and effectiveness of the department's instructional media services and completed a major study designed to review the direction and co-ordination of data processing plans and activities. For the next fiscal year the Research Branch will be undertaking research support designed to assist the department's management in developing effective policies, plans and programs, in several major areas. Some of these major activities will include an evaluation of the high school computer network, a survey of post high school plans of Manitoba high school students and education needs assessment in the community of Thompson, and an implementation of a test-scoring pilot service for the department and school divisions.

Curriculum Development will continue to be enhanced through the Measurement and Evaluation Branch. The branch successfully conducted a writing assessment program in Grades 3, 6, 9 and 12 and is in the final stages of preparation for an assessment of reading in these same grades for May of 1980. A similar assessment program for mathematics is planned for May of 1981 to complete the first round of a three-year cyclical testing program in these areas. In addition, the first of a series of non-cyclical assessments will be undertaken commencing in the fall of 1980 with the testing of science at Grades 5, 8 and 11, and chemistry in Grades 11 and 12. In 1980-81, Curriculum Development will also continue with social studies and language arts revisions for the elementary school, and mathematics and science revisions moving into the senior high schools. An interim K to 12 guide for physical education has been completed and the final form of that guide will be ready this fall. A revised health curriculum will be completed in draft form during the 1980-81 school year. The coming year will see the establishment of a systematic comprehensive process for the identification, evaluation, selection and review of instructional materials which will not only increase provincial efficiency in these tasks, but also because it is used interprovincially and internationally, will eliminate unnecessary duplication of time and effort at both provincial and local levels.

In 1980-81, the Vocational Education Branch will begin a major thrust in the development of guidelines and materials for a co-operative Work Education Pilot Program in Manitoba schools. The purpose of this project is to develop for students a wider range of vocational training opportunities. The branch will also conduct a follow-up review of secondary school

vocational education graduates in conjunction with the Research Branch to obtain, among other things, information on the degree of utilization and satisfaction with school services in this area. A committee, Mr. Chairman, is now being formed to produce a safety guide for vocational and industrial art shops as part of the ongoing concern with the identification, correction and prevention of unsafe conditions and practices in school shops. Another committee has been set up to revise and update the safety manual for school laboratories. In the Media Services Branch, in the coming year we shall be proceeding with the development of an integrated and automated distribution system for all instructional support materials, films, library materials, multi-media kits, audio video tapes, etc. The aim is to provide a more efficient service resulting in greater user satisfaction and a higher level of service per dollar of inventory.

Members may be aware that in addition to regular grants, additional funding is available to divisions to assist in the provision of educational services for children with high-cost, no-incidence handicaps. In 1978-79, 40 school divisions applied for and received a total 250,000 for these students. Last year, 1979-80, 450,000 was expended to assist 56 divisions and districts in providing services to approximately 355 students. In 1980-81, some 850,000 will be available to provide funding for the programs of a greater number of special need students and to increase the level of such funding. Overall, considering both provincial and divisional budget contributions, it is estimated that total special education support will reach some 28 million, up 10 percent from the 1979-80 estimates of 25.5 million.

The Child Development and Support Services Branch, during the past year, conducted professional development programs on a regional basis for special class teachers, resource teachers, special education co-ordinators and administrators. This thrust will be continued into 1980-81 with extension to regular classroom teachers in kindergarten and Grade 1. The increased level of awareness and understanding that should result will help teachers accept special needs' children in integrated settings and will facilitate the preventative approach to children with special needs.

The Native Education Branch has placed its emphasis on the development of instructional guides for the teaching of native languages in the elementary schools, and in co-operation with the University of Manitoba, on the development of methods, courses, in the teaching of native languages. Supplementary resource materials have been developed and made available dealing with education for native people and about native people, and a Native Studies Program for Grades 7 to 9 is under development. In-service programs in native awareness will continue to be offered to Manitoba teachers.

In its continuing efforts to improve educational facilities and programs, the Frontier School Division, which operates 30 schools in 28 communities in northern Manitoba, will be constructing new schools in Norway House, Duck Bay, and an addition to the Wanipigow School. Major renovations will be done to the Rossville School at Norway House as well. The division is also negotiating provision of new school

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facilities at Cross Lake. An agreement has been reached between the Government of Canada and this government to build a new school at Hillridge, on the Ebb and Flow Indian Reserve. The Manitoba Department of Government Services and the Department of Indian and Inuit Affairs are now proceeding with this project.

The Post-Secondary Career Development Branch is responsible for such programs as BUNTEP or the Brandon University Northern Teacher Education Programs, and the various special mature student programs at the University of Manitoba, Brandon University, Brandon General Hospital and Red River Community College. During the past year, as a result of successful negotiations for enhanced cost-sharing agreements with the Department of Regional Economic Expansion, an extra 645,000 was provided to the branch, raising its total allocation under this program to 4,436,000.00. These additional funds permitted the opening of two additional BUNTEP centres at Gods Lake and Grand Rapids. The addition of 15 students to the special mature student program at Red River Community College and the opening of the special pre medical studies program at the University of Manitoba with an enrolment of 10 students. All of these programs, which continue to provide quality graduates, will be maintained into 1980-81, and in addition, the branch will also undertake an examination into the needs and potential for distance education in Manitoba.

I can say, Mr. Chairman, I am proud of our progress in this area of career development, opportunities for mature students. I've had the pleasure of meeting with a number of these students in the projects over the past year. I've been impressed with their seriousness and sense of purpose. It is gratifying to experience the wholehearted support communities give to their BUNTEP centres and it is especially gratifying to attend graduation exercises and hear of the accomplishments of these students.

During the 1979-80 school year, apart from the continued interest in French language education for Manitobans of French origin, there has emerged a growing interest in the learning of French as a second language. Growth is anticipated in basic French programs. As far as immersion education is concerned, there has been almost a 25-percent increase in enrolments. This growth in programs has created the need for curriculum development, as well as associated services from the department. This government has undertaken the necessary measures to meet this challenge by increasing the human and financial resources within the Bureau de l'Education Francaise. This action indicates clearly this government's intention to improve French language education in the province of Manitoba. It also provides concrete support to the youth option in second language learning. In September, 1980, a pilot program in basic French, beginning at the Grade 4 level will be piloted in several school divisions. The curriculum package for this undertaking is almost complete at this time.

A pilot English-Ukrainian bilingual program was established in a number of Manitoba centres and this program will continue next year into Grade 2 as a second year of a three-year pilot program.

In Student Aid, Mr. Chairman, a decline in numbers of applications which has been noted in the past several years appears to be leveling off, and apparent indications are that secondary school student applications will actually show a slight increase this year. Average awards continue to increase, indicating that the program is serving the more needy applicants. In 1979-80, the average post-secondary award was 2,480 in a combination of bursary and loan, an increase of 700 over the average award for the previous year. During the past year, eligibility for Canada student loans was extended to students attending our private post-secondary institutions, and theological students were made eligible for bursary assistance in addition to Canada student loan.

Members may also have noted that after several years of discussion, an agreement has been reached with the Secretary of State, under which a federal-provincial task force has been set up to do a thorough review of all aspects of needs based student assistance programs in Canada. It is our expectation that this review will lead to changes and improvements, especially in the Canada Student Loans Program, for which the provinces, of course, have been pressing for some time. Mr. Chairman, another major component of the Department of Education deals with post-secondary education in this province.

During the past year, the Manitoba community colleges provided training during the day and evenings for over 30,961 students. More than 150 different day courses were offered by the three colleges, plus a wide variety of vocational, avocational and trade improvement evening subjects. Both policy shifts and changes in criteria by the Canada Employment and Immigration Commission, CEIC, influenced training purchases and deliveries during the past year. CEIC reduced its purchases of adult basic education courses and requested more jobs, specific training as well as critical skills training.

Also, in order to meet the labour demand for skilled workers in certain fields, the colleges developed new courses and revised existing courses. This trend will continue in 1980-81. There will be a thrust toward the development of training for the manufacturing sector in such areas as the tool and die, garment and farm machinery industries. For example, sewing machine mechanics will be trained by Red River Community College and the agricultural mechanics' course at Assiniboine Community College will be replaced in September, 1980 by a farm machinery mechanics' diploma course which will prepare graduates to work as qualified farm machinery mechanics in dealerships throughout Manitoba. To meet shortage of qualified personnel, Red River Community College will increase enrolments this fall in courses such as business administration, business accountancy and computer and analysts' program.

During the past year the number of courses operated on a co-operative education basis with a related business or industry, has increased. Representatives from business and industry also continue to be involved in the development and revision of community college training through participation and course advisory committees. The expansion and renovation to Assiniboine

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Community College will get under way during 1980-81. When completed, the new 75,000 square foot section will accommodate courses such as farm machinery, equipment mechanics, heavy duty equipment mechanics and auto body, as well as house and expanded learning resources centre. The estimated cost of the project is 6.4 million.

Regarding the University Grants Commission, it has been possible to allocate a general increase in operating grants for the three universities and St. Boniface College, of 8.266 percent. Incidentally, Mr. Chairman, this compares rather favourably with other jurisdictions such as the Maritimes, where the announced increase is 8.85 percent, Ontario where the increase is 7.22 percent, with a comparable increase in tuition fees and the right of the institution to increase fees, in fact, by an additional 10 percent. Enrolment projections for the universities and St. Boniface College, outside of the controlled enrolment faculties, seem to indicate a decline in full-time enrolment with no upswing imminent for a number of years. This situation, generally, prevails across our country.

Research continues to play an important part in universities, Mr. Chairman, and members may be aware that the professional schools and faculties are concentrated at the University of Manitoba, although there is an established Faculty of Education and a School of Music at Brandon University along with teacher training programs at the University of Winnipeg and St. Boniface College. In these faculties and in the Faculty of Graduate Studies, very extensive research is being conducted with the aid of direct grants from a variety of sources. In 1979-80 these grants totalled 18.5 million. These activities not only add to the extension of knowledge, the development of abilities in areas of competence for graduate students and the prestige of the universities, but since most research grants come from sources outside the province, they represent very substantial additions to the economy of this province.

Through the years many research-oriented activities have been attracted to this province by reason of the research development on the campus of the University of Manitoba. In an effort to husband resources carefully, the universities and St. Boniface College have instituted effective programs for cost reductions in such major expenditures as utilities. Moreover, the institutions are reviewing programs and courses to eliminate obsolete courses.

In conclusion, Mr. Chairman, I wish to stress that my department will continue to work towards maintaining and improving the quality of education for all students in Manitoba.

MR. CHAIRMAN: Item (b) General Administration (1) Salaries—pass. In response to the Honourable Minister's opening remarks, the Honourable Member for St. Vital.

MR. D. JAMES WALDING: Thank you, Mr. Chairman. I did want to make just a few opening remarks. We are pleased that we've eventually reached the estimates of the Department of Education. It was rather a long wait. We don't intend to hold up the discussion at any great length, but we will insist on using all the time needed to probe and

to examine the Minister's conduct over the last while, and to seek to spot, if we can, what the leadership is that the Minister spoke of in his opening remarks.

I mentioned just a moment ago that we were pleased to finally get to the Education estimates, and perhaps this would be a time when the Minister can answer for us, why it was that there was a change in the order of estimates, to put Health before Education, as opposed to the original schedule. We are rather curious to know why the Minister wanted to delay that consideration, Mr. Chairman? Was it because of the budget? Was it because of the local school boards setting their budgets and facing irate parents and taxpayers? Or was there some other reason? We understand that it was by request of the Minister of Education rather than the Minister of Health, so perhaps the Minister will be able to answer that when he stands up.

Mr. Chairman, for the first couple of years that the Minister rose in the House to present his estimates, he was rather new to the job; it is a large department to become familiar with. To many of the points raised by opposition members, the Minister would respond to the effect that they were studying the matter, that it was under review and they were monitoring the situation. But now some two and a half years have gone by and it's a time that we can look to the Minister for a clear indication of what his policy is, and to seek for some of that leadership that he mentioned in the opening sentence of his statement this afternoon.

One thing that has been noticeable about leadership in this department, Mr. Chairman, has been the lack of it rather than the degree of leadership we have seen. We have tried to probe the Minister to find out what his policies are with regard to education, and we have found that the Minister has learned the jargon of education and the phrases can roll off his tongue very smoothly. The one thing perhaps that did come through to us that the Minister believes in, in standards, testing and evaluation. Now that has come through quite clearly, but other than that we have seen little evidence of any leadership within this department, other than a certain amount of minor tinkering.

The Minister has had two and a half years now, to reorganize the matter of education finance in this province. He said a year ago — and I haven't got the reference immediately to hand — that the government was studying the Greater Winnipeg education levy. Now he will have the opportunity perhaps to reply to one of his backbenchers on this matter and we will find out whether he's still studying the matter or whether he has a reply at this time.

The Minister's reaction to the problems of education financing has been still more tinkering and a few more band-aids. He's moved up the schedule of payments to municipalities and he has increased some of the grants, and announced very proudly earlier this year, that there was an additional some 20.6 million, I believe, that were going to education this year. He was very careful not to spell out how much of that was to go to private schools, and he was also very careful not to point out that a certain number of millions of dollars of that amount was to be raised by the education levy; when the Minister spoke of 20.6 million going to education, that was

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not 20.6 million of provincial government money going to the public education system.

One other example of tinkering is the Minister's administrative flow chart, or whatever it's called. Each year it's produced in the report on the inside front cover, and we see that the words in different boxes change from time to time; the boxes are shifted over from the righthand side of the page to the lefthand side of the page; whether it's anything different or not remains to be seen. We will be seeking to know from the Minister, what capital facilities' review is that has crept in above the Deputy Minister and under the Minister of Education. It appears new for the first time this year, although I suspect it's merely something that was under the Minister before and has now been put out into a separate little box.

As a further example of the Minister's tinkering, if I can call it that, is the education administrative consultants, I believe, was the phrase used. The Minister is also referred to them as field staff. I've seen it mentioned in the report as unit media and various other names. So we will be interested to hear from the Minister what is this year's name for education administrative consultants. Just a short glance that I had at the two bills the Minister tabled today, I don't see any reference to EACs, so perhaps the Minister feels a little sensitive about the name and is about to change it to something else.

Perhaps this is not the right time to question the matter, Mr. Chairman, because we would get that opportunity later, but the Minister introduced two bills into the House last year to deal with education, 22 and 23, I believe were the numbers, and they were subsequently withdrawn and public representation was invited on each of them. As I recall, the last hearing was in January of this year, Mr. Chairman, and I believe it was fairly obvious that the number of concerns brought to the committee were relatively clearly understood and were relatively brief in number. That being the case, and since we failed at that time to get any undertaking from the Minister of what changes he proposed, it raises the question of why we have to wait until Wednesday, the 29th of May to receive those two bills. The House has been in session now since mid-February, February, March, April, May, over three months we have been waiting for them, Mr. Chairman. Was there something within those bills that the Minister was a little sensitive about, that he tried to leave until the end of the session, or was it simply a matter of printing difficulty? We will be interested to hear about that. —(Interjection)— One of my colleagues is heckling me from the front bench, Mr. Chairman, and indicates it's a matter of low priority. That term perhaps would be more descriptive of the Department of Education and the Minister than of the topic of the two education bills.

The Minister has spoken in the past about the amount of money that is going to education and its percentage of the provincial expenditures. I believe that it is lower this year than it was last year and that last year was lower than the year before. Gentlemen opposite spoke in very glowing terms at the time of the last election of the importance of education and the importance that Conservatives placed in level and equality of education that is available, and said very clearly that it was their policy that provincial

funds would fund 80 percent of the costs of education. That was modified after a little bit, Mr. Chairman. You will recall that when the government attained power they said, well, that was something they were moving towards, 80 percent, and it wouldn't be done as of tomorrow. Well, we heard that this year and we heard it last year and the year before that — what is, in fact, happening? Is it rather than moving towards the 80 percent funding by the provincial government, they are moving in exactly the opposite direction?

We see mass demonstrations in the city of Winnipeg of parents and teachers protesting the abolition of teaching positions, the cutback of various programs. We see the same sad tale coming from right across the province of programs being cut left, right and centre. We see a strike by parents who are keeping their children out of schools; we see a work to rule of teachers in Mystery Lake Division in Thompson, Mr. Chairman, and I understand that is something of a record, that the teachers to go on strike or anything approaching a strike is a record in this province.

Not only that, the government is facing some sort of revolt by its taxpayers. If you have been following the news reports in the press, Mr. Chairman, you will recall that every time the government's Assessment Review Committee, I believe it is, holds a meeting, they are besieged by farmers saying the local taxes are too high and something must be done about it.

The Minister's response, or perhaps it's more the government's response, I have a feeling that the Minister of Finance moved in at the last budget to get this Minister off the hook by increasing the advance on the municipal tax bills by a further 100, hoping that would take the pressure of this Minister somewhat. His 20.6 million increase announced this year obviously had no effect whatsoever, the pressure simply continued.

Finally, the Minister announces that against after two-and-a-half years that somebody, somewhere, or some group is studying the problem. He was rather careful not to detail where this study is being done, or who is doing it, but it's apparently a review of the supplying of sufficient funds to efficiently run the education system in this province and the Minister looks forward to the end of this fiscal year when he will have some new plan or scheme to put before the House to hopefully solve the problem. Well, we suspect, Mr. Chairman, that this is a continuation of the old shell game, that the Minister of Finance gives a little here and he takes a little there and more is given in this grant but less is given in this grant, and we wonder just what it is that the Minister of Education intends to put before us and where the solutions are to come from.

You know, there were no problems three years ago, Mr. Chairman; the Conservatives at that time had all of the answers, there was no problem at all. You just do away with the tax credits and beef up the foundation program and all of the problems are solved. Well, we know the problem is not that simple and the Minister, I believe, knows it's not so simple either, and I suspect that the Minister of Finance also realizes that it's a very complex, very intertwined problem, that to tinker in one area creates problems in another area.

We wonder also whether the Minister is prepared to do anything about the Greater Winnipeg Education Levy? One of his colleagues sitting behind him had a resolution to that effect a couple of days ago and the Minister has yet not had the opportunity to reply. That certainly has an effect on education financing and we will look with interest to see what the Minister's present policy is toward the Greater Winnipeg Education Levy and again, Mr. Chairman, we suspect it's the same as last year, that the Minister is studying the problem.

Mr. Chairman, we will be getting into a number of areas as we go through the various lines in the department, so I will not dwell on some of the obvious and well-known problems that are involved in education. I understand that some of my colleagues also wish to respond briefly under this item of General Administration and . . . I have just been handed a double sheet of paper here headed Staffing Changes in Estimates and this would appear to be what I was about to ask the Minister for, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Rossmere.

MR. SCHROEDER: Thank you, Mr. Chairman. The Member for St. Vital had indicated that he is becoming impatient, he's waited until now. I've waited for more than a year to be here. Last year the government chose not to call a by-election in order that my seat be represented, so it's been a long time. I'm very very happy to be here, happy that my Leader asked me to become involved in this particular area.

I had prior to this been interested in education very simply from a very very narrow basis, on the basis of my two young children who are heading into the system at this time, and this has given me an opportunity to look at the entire field of education. It's a very complex and large area. It has given me an opportunity to do a fair amount of reading and to begin with I would believe we should try to determine what we are after when we are sending our kids to school. It's got to be a little more than a babysitting agency; we have a purpose in setting up a very costly education system.

I am looking at some material from the Organization for Economic, Cultural Development, there was a conference, I believe, held last fall, that the Ministers of Education of the OECD stated that the fundamental purpose of education is to provide the basic knowledge, skills and the capacity to develop attitudes needed for personal development in the pupils' roles of individuals, family members, workers and citizens. Education is to provide access to culture needed to lead a fuller life in an increasingly complex and interdependent world. Education is to provide the capacities to contribute creatively to social and economic change, and the Ministers indicated at that meeting that the following aims deserved priority consideration in the formulation of policy: 1) to promote development of educational standards and to ensure that all young people are helped to acquire the basic competency needed to embark successfully upon adult life; 2) to develop schools as active communities which offer stimulating environment contributing to the self-

reliance, sense of responsibility and co-operative spirit of young people; 3) to improve the professional preparation of teachers and to encourage them in the context of changing needs and tasks to take an even more active and responsive part in strengthening the links between the school and adult life; 4) to work toward equality between men and women; 5) to adopt positive educational measures to promote equality for underserved groups, such as the socially disadvantaged, immigrants and the handicapped; 6) to allow each pupil to develop his or her full intellectual and personal capacity; 7) attempt work opportunities and work toward best possible balance between general and vocation-oriented education in order to help the young to prepare more effectively for adult life and work; 8) develop more recurrent educational opportunities for young people and adults to continue education at all levels, after periods of work; 9) help solve employment problems by attempting to give all young people an opportunity to obtain a usable, vocational qualification, expand opportunities for unemployed children to gain access to further education or specific training and encourage improvement in the structure of work.

It would seem to me, Mr. Chairman, that's a pretty tall order and it is one that I do believe, however, that we should be working toward. I noticed as well, going back to October 7, 1977, in happier days for those on this side of the House, it's a news release entitled Turnbull Proposes New Education Act and some of the emphases he was referring to at that time were emphasis on the basic and equality of educational opportunity and it would require the following. I'll just hit some of the highlights: improved financial support to lessen increases in property taxes; stepped-up adult education, including development of adult education centres in conjunction with school divisions, that is to keep pace with rapidly changing technology and to update professional knowledge; new program thrusts for gifted children to maximize their full talents and to develop their personalities; greater parental involvement so there could be fuller understanding among parents, teachers and trustees, of what the community expects from the schools and what the school can deliver to the community; and at that time, as the Minister I'm sure is aware, there was 180,000 provided to parent councils as a start toward that type of an approach.

In terms of financing it was suggested that improved methods of provincial support for divisions and schools experiencing special demands because of new residents requiring instruction in English and the enrolment of a high proportion of children with special needs, that that type of area required more funding. And a third level of funding of school divisions in districts whose money problems are severe because of a combination of all of the various problems that can be faced, as well as other unusual factors which raise their needs above the regular financial support of the provincial government. Too bad we couldn't go ahead with that.

We now have a new Act, tabled yesterday, I've briefly gone over it. I really think that the key to that new Act is money. The bottom line is money. We can say all we want about requiring the local school divisions to provide an education, but if we are

sincere about providing education, especially for those who are going to cost more, the kids with English as a second language, for instance — in my particular school division there are a number of schools which have Vietnamese children who cannot speak English, who have teachers who have no knowledge of the Vietnamese language or culture, trying to cope with these people. That is difficult for the students as well as for the teachers.

We have problems, as the Minister is aware, in the inner city with children who have come into the city from remote native communities. We have problems with children from single-parent families. We have problems in all areas of the province with children with all kinds of learning disabilities. And as long as the bottom line on education estimates is not going to increase, then no matter what you say, no matter what you say in an education act, you are not going to improve the quality of education in the province. You're going to have spend some money on providing educational assistance for these children and I would hope that would receive a greater priority from this government.

Thank you.

MR. CHAIRMAN: The Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I find it somewhat shocking to enter into the Education Debate the day after we receive an indication from the government that at a time of crisis in the public school system, at a time when boards are finding it extremely difficult to meet their payrolls and raise their taxes and keep their staff and deal with a multitude of problems, that the government of this province announces an enrichment of their program for private and parochial schools.

Well, I want the Minister to expand and expound on his comments, because we have seen in the time that this government took office an extension of that program. We have shifted from a shared services program to a program whereby grants are given directly to school divisions and then the school divisions sort of monitor them. They have some kind of a pass-through system. Then we now see the ultimate culmination of that thrust, namely, that the Minister and the department are going to, under Bill 31, make direct grants to public school divisions.

Mr. Chairman, this really does rile me, because I am a representative of the city of Winnipeg. I represent people who are primarily taxpayers in Winnipeg School Division No. 1, although some of my constituency is in the River East School Division. The River East Division is in not too bad a condition. They could use extra assistance, but they are in general managing. Like many other divisions in the greater Winnipeg area, they are short of funds and can do better. But Winnipeg School Division is really in a sorry state, and there is little or no recognition from this government of their particular problems; and there is no extra financial consideration given to the people in that division. So to throw salt in the wounds of the taxpayers of the city of Winnipeg at this point in time — and we all know, and we will deal with it at some length in this Chamber — with the condition of the school division and with the problems facing people in Winnipeg No. 1 and

throughout the province, at that time when people are being asked to tighten their belts and to pay more taxes and to cut programs, and asked to reduce and dilute the program of the public school system, at the very same time we are now getting an expansion and an extension of eight private and parochial schools.

I want to give a graphic illustration of that, Mr. Chairman. In my own riding there was a school, George V, which needed a couple of hundred thousand dollars to make structural repairs to that building and they went repeatedly to the board — because we're just talking dollars in this instance — they were unable, first of all, to get the money from Winnipeg and quickly went to the Public Schools' Finance Board. Now the Minister can give us an update, but my recollection of that issue and the information that I have from people in the area, was that the money came from the Winnipeg Division, that the money did not come from the Public Schools' Finance Board, did not come from the provincial government. It was, in effect, paid by the taxpayers of the division. I say that should have been paid directly by the provincial government.

We have another school called Sir Sam Steele, in beautiful condition, classic problem, declining enrolment, people in the area aren't sure what to do, people who are considering moving into the area don't know whether to move in because they don't know whether there'll be a school; people with children who live in the area are considering moving or they are confronted with sending their children to schools that are not in the immediate vicinity. The rumour is, and I believe it is true, that the board is being sorely tempted to lease or sell that school in the core area of Winnipeg, in effect, to a private and parochial school. I think that is a classic problem and a classic solution at this point in time, namely, that on one hand we are seeing a series of problems and a deterioration of the public school system — there's certainly less courses, there's less variety — the old 3Rs that the Minister is probably so proud of and that they were so mouthy about in the last provincial election campaign; the Conservative spokesmen were repeatedly attacking the level of quality and education in the province, they wanted a simpler program — well, they're getting it, their Minister is giving it to people; he is apparently going back to the 3Rs. So we're seeing that on one hand, and on the other hand we're seeing a slow but sure increase in the number of private and parochial schools and the number of students. We're evolving right now.

I was here — I have to ask my colleague in the front bench, the Member for St. Johns — the private and parochial school solution of shared services, I think, was brought in before '66, or was it after? Just before '66, which is when I came in. I was teaching at the time and this was kind of a solution proposed by the Conservative administration of the day. Now, Mr. Chairman, without a mandate to do this, since this man has become the Minister — and he was a man who served I think the public school system well; I had the experience of teaching with him for a year and his reputation as a teacher, I think, was high — but I do not believe that his reputation as a Minister is high, because he has somehow or other, at least in my judgement, turned his back on the public school system by not fighting vigorously

enough for the public school system around the Cabinet table. He's an apologist for government policy and so-called restraint programs. He comes in here and tells us every day, in response to every question that we ask, that everything is fine, that there is nothing to worry about.

I have to say, in that regard, he reminds me of two people. I guess in the classic sense he reminds me of Dr. Pangloss, who was a fascinating character in Voltaire's *Candide*, and no matter what calamity you brought to the attention of Dr. Pangloss, he would say, this is the best of all possible worlds. If you told him there was an earthquake in Lisbon that killed people in the churches, he would say that was a good thing because of the following. If you told him there was this calamity or that calamity or this death or this illness, he thought everything in the world was the best. This Minister thinks that everything in the Manitoba educational system is the best and that there are no problems whatsoever. I say that that's the kind of explanation he reminds me of. If I were getting more trendy I would say he reminds me of Fearless Fosdick. No matter how many bullets we shoot at him, he always says, that is just a mere flesh wound; no matter how many millimetres the cannon is that plunges right through him, he is unperturbed, and no matter how many bullets I fire at him, he says that they didn't hurt, or he ducked them, or they grazed him, as opposed to a direct hit.

I'd say to him, man to man across the Chamber, that he is not defending the public school system to the best of his ability. He is not using his ability well in his portfolio. He is not fighting for the dollars that are necessary to maintain the standard of education that he inherited. I believe there's been a deterioration. I think all he's doing is coming in here, and rather than reflecting his educational background, he's reflecting his political party. At the same time, Mr. Chairman, as I say, I'm concerned because of this sort of technique that he is using — I don't know who's behind it; I have never been able to figure out in my own mind whether he is being pressured by a certain element in society, whether it is the First Minister who is telling him what to do or whether it is the feeling of caucus — I can hardly believe that the Tory caucus knows what is going on or is responsive and supportive of what is going on.

I remember very well a few years ago in this Chamber in the early Seventies, the debate on aid to private and parochial schools — and we're getting that right now — and their caucus went 17 to 1 against, 17 to . . . —(Interjection)— Gerard voted for it, and all the others, to a man, against. It was a 99 percent position on behalf of the Conservatives. Now they're putting in direct aid to private and parochial schools, and there isn't a peep out of the backbench. All of a sudden they have gone from a position of unalterably opposed to a position of breaking new ground. Mr. Chairman, I think this is deplorable, in that there has been little or no debate on this matter. I say the government does not have a mandate to do what they are doing. They didn't talk about that issue. They didn't discuss it during the '77 election campaign, and now they're chipping away and they're making little changes as we go along. It was a move from shared services to aid through school boards. Now they don't need the school boards, that was a bit of a sham anyway.

They're going to make direct aid. I gather this is going to include construction costs. Is that right? No, the Minister says no. He perhaps can explain that. But he's not going to bother — I believe that is what is quoted in the newspaper account; I don't know where they got their information from — but in any case he sees no problem with giving direct aid. He sees no problem with X millions of dollars going into this particular program, at the very time when there is a shortage of funds and a winding down in the public school system.

Mr. Chairman, if I were to think of a metaphor, I would have to say that the appeal of the private and parochial school system is going to start looking a lot better to people. That is my concern. I'm a defender of the public school system. I say that what we are seeing is, you're seeing the lumbering old school bus full of students who are going to public schools ever farther away since the local neighbourhood schools are being closed, and along the highways and along the streets is the new shining van of the private and parochial schools zipping by, freshly painted, new model. I think that the danger is, that when the point comes where people who are in the middle classes, people who are very concerned about the quality of education start saying that they are not satisfied with the level and standard of education in the neighbourhood school, they're going to start pulling their children and sending them to the private and parochial schools. They will first of all, pay, and secondly, they will pressure the government to alleviate the financial burden, which they will feel. This is my concern.

In the Winnipeg Division, we see a small increase in special funding for a host of programs; we see program cuts; we see larger classes, which doesn't seem to disturb the Minister. He doesn't seem to be concerned about class size and I know he would not agree with one silly gentleman who came to Manitoba and said he could see up to 40 kids in a class wouldn't be any problem.—(Interjection)— Well, I don't know, I assume the Minister wouldn't agree with that, but I don't know how high he's willing to go. But I know, as one who taught, that when you start getting over 30 kids in a class, and you have 35 and 36 in a class, you have your hands full. Especially at the junior high and the high school level — boy you're really sweating and moving to control that situation.

We're seeing increased taxes and we're seeing what the municipal governments are doing throughout the province, within the perimeter in particular and in one specific, in the Winnipeg School Division. The municipal governments are being burdened by the education taxes and as a result they are adding this onto their bill and they are cutting back, not only in the educational area, but they're also being forced to cut in their services to property. And you're seeing a winding down, you're seeing a deferment of capital and other programs.

So all we're getting from the Minister is talk. He's told us time and time again, they going to — and now he tells us today, they're going to look, they're going to study the educational funding. More pious promises. We've heard them every year; he says it every year. They're going to move toward 80 percent. Doesn't say when. He says that's still their policy, when they get the money, they're going to do

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it. You know, some day, I think my colleague put that very well, my colleague from St. Vital. Some day they're going to do something about it. That's their policy, they haven't budged. They've gone the other way but they still are going to do it. It reminds me, Mr. Chairman, of the old expression that the road to hell is paved with good intentions, and assuming that the Minister's intentions are good I tell him that's all they are worth — paving blocks in that direction.

I think one of the interesting things we're going to get involved in, in the next week or two — I assume this debate is going to take at least a week and probably two weeks and given the amount of money we're talking about, some 400 million, I think it merits a lot of attention and that out of this debate and dialectic between us and the Minister may come some persuasion and some clarification. I think — (Interjection)— well, some of my colleagues are more skeptical and one of my colleagues, the colleague from Logan, he's very skeptical and I think he has good grounds to be. He has some very good experience in his time. He was a school board member of the Winnipeg School Division and I think he has witnessed what has gone on recently and he is not very happy about that.

So when the division comes to him and says we need extra help for some 7 million of extra costs incurred by the Winnipeg School Division because of the poor people in the area, because of the welfare recipients, because of the immigrants, because of native education problems, because of the transient population where some kids are moving around a dozen times trying to probably beat the landlord, because of special costs incurred in nursery schools, because of special costs incurred in summer courses, special counselling and so on, the Minister says, well, you know, given a 7 million extra surcharge to the Winnipeg Division, what's he going to come up — with a million-and-a-half, is that it? We came up with a million; he has frozen that amount for a couple of years, now he's going to throw in half-a-million.

Well, I say it's not good enough, it is just not good enough. And I conclude, Mr. Chairman, by saying that I believe this is simply an extension of the government's policy toward the city of Winnipeg. They have a mental block. They cannot understand or appreciate the special needs of an urban centre. The capital of this province with 600,000 people, they want to fend for themselves. They don't recognize, they cannot see the special problems that are being faced in the city of Winnipeg. I mean, these are the kind of problems that when you push them and blow them up, are analogous to the kind of problems that were suffered over the past decades in major American cities. Rotting downtown core, special problems in that area, and everybody heads for the suburbs.

So, Mr. Chairman, I will conclude at that point and say that it is enough for us in this Chamber to deal with the problems of education in the province, in the city of Winnipeg and in the core area, that is more than enough. We have weeks and weeks to discuss that matter. But at that very time that we are going to enter into that massive debate, the Minister tells us that he is going to make improvements in the private and parochial school system of Manitoba. Mr. Chairman, I think that is throwing salt in the wounds

of the pupils and the teachers and the taxpayers of Winnipeg School Division No. 1 and people all across Manitoba.

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

MR. SAUL CHERNIACK: In the couple of minutes remaining, I just want to ask the Minister a direct question as to whether or not he has summarily fired anybody in the last 12 months?

MR. CHAIRMAN: Order please. I would advise the honourable members that we are in response to the Minister's opening remark at this point, rather than at debate, and I would have to rule the question out of order.

The Honourable Member for St. Johns.

MR. CHERNIACK: Thank you, Mr. Chairman. I thought we'd gone into the first line dealing with the Administrative Services.

MR. CHAIRMAN: No, we moved off the Minister's Salary but I am allowing a response to the Minister's Opening Remark.

MR. CHERNIAK: Rather than a question, I would make a statement, Mr. Chairman, that the Minister has disappointed me terribly in the past with the cavalier way in which he has dealt with the firing of one person at least, without notice, in a summary way, callously and without regard to that person's position, and I do intend to explore with him any other such activities that he may have done since then or even before that. I just indicate to the Minister, I'm looking forward to hearing from him, with a rather comprehensive report on his activities in regard to staff relations in this regard.

MR. CHAIRMAN: Item (b) General Administration, (1) Salaries—pass — the Honourable Member for Churchill and we have got 30 seconds before we move into Private Members' Hour.

MR. COWAN: Mr. Chairperson, I can speak quickly, but not that quickly. Perhaps I will let the bulk of my remarks be put aside until we do go into the estimates procedure this evening, in which case I would intend to pursue along the same vein as my colleagues have been for the last couple of moments . . .

MR. CHAIRMAN: To the Honourable Member for Churchill, you will have time when we next convene to respond to the Minister's opening remarks.

The hour is 4:30. I'm interrupting the proceedings for Private Members' Hour and Committee will resume at 8:00 o'clock this evening.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. We are now under Private Members' Hour. On Thursdays the first item of business is Public Bills, followed by Private Bills and then Resolutions.

Bill No. 44, the Honourable Member for Logan. (Stand).

Bill No. 40, standing in the name of the Honourable Member for Inkster. (Stand).

We'll then proceed to Second Reading Bill No. 15, the Honourable Member for Brandon East.

SECOND READING — PUBLIC BILLS

MR. EVANS presented Bill No. 15, An Act to amend The Brandon Charter for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Mr. Speaker, this is, as I understand it, I don't have the description of the fee involved, but as I understand it's a minor adjustment, although it's admittedly a large percentage increase from 50 to 1,000, but nevertheless it's as I understand it a fee that hasn't been changed for many a year.

It is possible that the city of Brandon will have someone at the committee stage to go into this in further detail, but at the moment I'm assured that it is a very minor adjustment and I would recommend it to the House.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Mr. Speaker, I would beg to move, seconded by the Member for Minnedosa, that debate be adjourned.

MOTION presented and carried.

ADJOURNED DEBATE ON SECOND READING — PRIVATE BILLS

MR. SPEAKER: We'll then proceed with Private Bills. Adjourned Debate on Second Reading on Bills Nos. 45, 46, 54 — the Honourable Member for Logan. (Stand)

SECOND READING — PRIVATE BILLS

BILL NO. 11 — AN ACT TO INCORPORATE THE BRANDON GENERAL HOSPITAL FOUNDATION

MR. SPEAKER: Bill No. 11, the Honourable Member for Brandon East.

MR. EVANS presented Bill No. 11, An Act to incorporate The Brandon General Hospital Foundation for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. I am sure this is a piece of legislation that in principle everyone in the Legislature would support and can support. The Brandon General Hospital now has no mechanism whereby it can receive donations from various organizations or various individuals, and as I

understand from the Administrator of the Brandon General Hospital, the idea of setting up a Brandon General Hospital Foundation came about a short time ago because a particular gentleman was prepared to leave a substantial amount of money in his will for the Brandon General Hospital. At any rate, this legislation will in effect set up this foundation which will be in effect the vehicle that will handle donations. It is hoped that the foundation, in turn, with these moneys, will be able to do something meaningful and unique in the way of equipment or necessary facilities for the Brandon General Hospital. I'm assured that this particular foundation, as it's described in the bill, will give the board some flexibility to handle donations as they may arrive over the years. So, I would therefore recommend it to the House, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: Mr. Speaker, I beg to move, seconded by the Member for Minnedosa, that debate be adjourned.

MOTION presented and carried.

BILL NO. 41 — AN ACT TO INCORPORATE THE BETHESDA FOUNDATION

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

A MEMBER: I wonder, Mr. Speaker, if we could just have the indulgence of the House for a few moments; the member will be right here.

MR. SPEAKER: Is that agreeable? (Agreed)
Second reading, private bills, Bill No. 41 — the Honourable Member for Emerson.

MR. DRIEDGER presented Bill No. 41, An Act to incorporate the Bethesda Foundation, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Emerson.

MR. DRIEDGER: Thank you, Mr. Speaker. I think the bill itself is explanatory to some degree. There is a relatively long preamble to it, and the reason for the extensive preamble to the bill itself is the desire of the group to have it encompass, sort of, as a historic significance in the bill itself. It has been the tradition among the Mennonites over their lifetime that they are compassionate people, that they like to help others less fortunate than themselves. I think this has been illustrated to some degree in their involvement through the Mennonite Central Committee, the MCC, which has been during its lifetime serving in various countries, helping the less fortunate. We have also had it demonstrated right in our own province under the Mennonite Disaster Service which, whenever a disaster strikes, as we had last spring with the flood or the tornado which hit the Aubigny area; the one that prior to that hit

the St. Malo area, where the Mennonite Disaster Service has been prompt on the spot and helping voluntarily with material and work to try and rectify things and help the people that are in trouble.

What the intention of this bill here is today, is that the Mennonites since their immigration into this country many years ago, have enjoyed the privilege of being in this country. They worked hard, and that tradition of helping others has always been there. As with the Bethesda Hospital, as I mentioned the other day, and I'm talking about the ambulances, that traditionally when certain things are needed, they have voluntarily banded together, have raised funds, have supplied certain items, equipment, to the hospital that possibly under the Manitoba Hospital Services was not available to be supplied.

We had a case just last year where fund-raising purposes were set up, and I think they raised in the vicinity of 15,000 for certain equipment for the hospital. I would anticipate, Mr. Speaker, that this kind of approach and attitude will continue. What this bill is trying to do, is trying to make provision for people who are relatively fortunate and affluent to some degree, who would want to give or donate to the foundation on a permanent nature, either moneys or properties, and that these properties or money could be invested and the interest of that money would be used either for further advance of the hospital's services or other charitable organizations. At the same time it is felt that in the Bethesda Hospital district, which encompasses quite a few municipalities, that if this bill was approved and passed that it would be of a historic nature, as I mentioned before, that they could encompass this into their history and be a meaningful thing for the Bethesda Hospital area.

I think that I would also like to add at this time to the members opposite, if there are any pertinent questions that they would like to relate to this, if I cannot answer them, that I am prepared to arrange a meeting with the solicitor, Mr. Regier, and members of the opposition who would like to maybe put the questions direct to him if I cannot answer them, Mr. Regier has indicated at any time if there are questions of this nature that I cannot provide, or at committee stage, that he would be prepared to come and be available to whatever questions come up. With that, basically, Mr. Speaker, I would hope that I would have the support of the House in this bill to the people that are presenting it, on whose behalf I am presenting it. To them it is a very significant thing and I would appreciate the support of the House. Thank you.

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

MR. CHERNIACK: Mr. Speaker, I'd like to take advantage of the member's offer to attempt to answer questions from the opposition. I trust he would give the same opportunity to members on the government side who may have questions to ask, but I have a specific question to ask. In view of the unusual but probably justifiable preamble, and the statement, speaking about the need for self help and the recognition of self help, would the member clarify the reason of the categorical denial to the board of any discretionary rights to use any moneys of the

foundation for the purpose of reducing any deficit incurred by the hospital district?

MR. DRIEDGER: I'm not quite sure whether I could answer it in the context that it is asked. If I am correct, the thinking behind it to some degree was that if governments ever totally undertook the hospital aspect of it, the running of it — at the present time, I have a hospital board that is in charge of it — if governments in the future sometimes saw fit to totally undertake that jurisdiction, that they would not be duty-bound to put moneys in that direction, but could direct it to possibly other charities, personal care homes, things of this nature. I don't know if that quite answers the concern.

MR. CHERNIACK: Thanks, Mr. Speaker. No, it does not answer it, Mr. Speaker, because the member says that they would not be duty-bound to subsidize a deficit, whereas as I read it, they are not allowed to, even if they would want to pay any part of a deficit. They are not allowed to do it, and I'm wondering in view of the fact that we have been hearing today of certain hospitals that have been forced to run a deficit whether there is a justification in the mind of the promoter of this bill to deny the board the discretion that they may or may not . . .

MR. SPEAKER: Order please. I find the honourable member is entering into debate at this particular time, and I would suggest that if he wants to, then it should be counted as debate, rather than questions of clarification.

MR. CHERNIACK: Mr. Speaker, on the point of order, and I think you did raise a point of order, the member invited questions, and in the usual practice I asked a question. The member then said he wasn't sure if he had answered my question. I then told him he had not quite answered my question and I, then, at his request attempted to elaborate on my question so he could more fully understand probably the inadequacy of my first question, Mr. Speaker. I am not entering into a debate; I did not express an opinion on the bill. I asked a question.

MR. DRIEDGER: For the benefit of the Member for St. Johns, I will get a clarification on your question and get the answer back to you.

MR. CHERNIACK: Thank you very much.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Rossmere, that debate be adjourned.

MOTION presented and carried.

RESOLUTIONS

RESOLUTION NO. 18 — ENTERPRISE MANITOBA PROGRAM

MR. SPEAKER: The first resolution on the Order Paper today is Resolution No. 18, standing in the

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name of the Honourable Member for Wellington, who has one minute of time remaining.

MR. CORRIN: I hardly have time to yawn, Mr. Speaker. Mr. Speaker, in actuality I don't think I have anything meaningful to contribute on this occasion, and on that basis, I will sit down and defer to a member opposite who wishes to participate in the course of this debate. Thank you.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. BLAKE: Thank you, Mr. Speaker. I thought maybe the Member for Wellington maybe hadn't finished his speech on housing and the problems of his constituency last time, but I guess he finished it, when we last discussed this bill.

Mr. Speaker, the introduction of the bill — I've just gone over the remarks of the Member for Rossmere on the resolution, and I gather that he's not really opposed to a great deal of the thrust in Enterprise Manitoba, but one or two of the methods used are what he was objecting to, I gather was the reason for him putting in the resolution. It was the fact that he objects to grants rather than repayable loans. That may meet with some sympathy in certain areas, although when you're into a cost-sharing program such as this one, it's cost-shared with the federal government, you make the best deal you can and quite often they are in the driver's seat. But he seemed to think that it was going to be embarrassing to the government to be going around continually handing out money, Mr. Speaker. The basic objection he has, is that he feels that grants maybe offend in some way, and I suppose to him that may be a logical objection to it.

He goes on to speak about investments, I'm just asking for a reasonable investment by the people of this province, a fair investment by the people opposite, by the trustees of the public funds. They have the responsibility to the public and they have a responsibility to the business people involved. I don't say that there should be repayment if the business fails.

Now, Mr. Speaker, there was a great deal of public involvement previously when his particular government was in the process of making loans rather than grants. They made a number of grants as well. I don't think it's necessary, Mr. Speaker, at this time to go into Saunders Aircraft and Chinese foods and various things that are pretty well known and have been debated over and over and over again. But there was an area where there was a large involvement of public funds, and it's been done by all governments from time to time of different political beliefs, and they are all doing it, I think, in what they feel is the best interests of the business community. I think in a lot of instances, maybe the business community might have been far better served had the government just kept their nose out of their business.

But, Mr. Speaker, the Enterprise Manitoba Program is a 44 million program, shared jointly with the federal government, to try and accelerate Manitoba's industrial growth over the next five years. It is a five-year program. It's a broadly based program, aimed at assisting and encouraging

business in the communities throughout the various parts of Manitoba that I think need a little extra encouragement and a little extra incentive.

Now the program is going to attract over 26 million in federal funds, Mr. Speaker, in support and in creation of unemployment opportunities for Manitoba, and a great deal of them are linked to the agricultural community. We know how important the agricultural economy is to the good and welfare of this particular province, so there is a strong linkage to the agricultural area throughout the business development sector.

But a major component, Mr. Speaker, was to supply a committee outside of the city of Winnipeg — there's one in Winnipeg and there's one outside — to provide an industrial infrastructure program. And this involves some 10 million. The one in Brandon is under way. I don't have up-to-date figures on the successes it's had, but in some earlier remarks that I had prepared to speak when the resolution was introduced, in the first year the program had provided assistance to five communities, to seven new industrial companies, resulting in a total expenditure of up to 416,000.00. The new private sector capital generated is estimated at 2,295,000, and the new job opportunities created as a result of this private sector investment is calculated to be 55 positions in one year, with an increase of 110 positions by Year Three.

Now I don't have up-to-date figures, Mr. Speaker — these notes were put together when I hoped to speak before — but the main thrust of it is to assist people in Manitoba in seeking and starting new businesses and to promote and aid existing businesses. This is going to provide a great deal of employment throughout Manitoba.

I think it has been found by various industrial groups, in the rural areas particularly, that you're far better off to try and expand on existing business in the community rather than trying to attract a General Motors subsidy, or something like that. If you have a machine shop, a small fabricating plant employing 5 or 10 men, if you can expand it to 15, 20 or 25, those small businesses are far more benefit to a rural community than a fairly large one. We all know what happens when you get into a one-industry town, if something happens to that particular industry.

There is a great deal of the money is going to assist the Manitoba businesses, Mr. Speaker, to take advantage of a lot of new technologies, and there is a further some 2 million allocated to support industrial development promotion. There is no doubt that there can be some more promotion done in Manitoba, but the full program is getting into high gear. As a matter of fact, I think the Minister is out in Brandon at this particular time, either opening the new facility there or a new project that's coming into force.

Mr. Speaker, the federal participation in the program, I think, is one of the factors that can't be overlooked, and they are calling the shot in a great number of cases. I can recall, when we talked of federal funds in a previous debate when we were in opposition, the Member for Burrows, I was questioning him when he was Minister of Tourism — and thank goodness we have been saved from

further disasters there — I was questioning him on the expenditures on Gull Harbour, where there was some federal participation, and I was questioning the expenditures of some 5 million for that luxury lodge at Gull Harbour and asked him how he ever felt a facility of so many rooms costing 5 million, how we would ever hope to recover our investment there. His answer was typical NDP arithmetic. He said: Well, we're getting 2 million from the federal government and if we don't spend 5 million to build that hotel we won't get the 2 million.

Well, as it turned out, Mr. Speaker, it wasn't really, I don't think, a very good investment. We have a lovely facility there in a lovely park, but I'm afraid the capital expenditure was so great that we will never ever see it in a profitable light. It can be operated, I suppose, for some other method, without any thought of recovering our capital expenditures.

The member mentioned the Minister had been running around having his picture taken and he didn't feel that maybe this was the intent of the program, but I don't know whether the members can really criticize that or not, Mr. Speaker, and I particularly refer to the Leader of the Opposition's constituency, where the Minister did hand out some cheques not too long ago. I'm sure the Leader of the Opposition is going to have a great deal of difficulty in voting against the resolution because, in his area, Youngdale Enterprises, a fababeen processing plant — it's a new enterprise — created a job, a forgivable loan of 30,000.00. Frandsen and Ross, a machine shop custom manufacturing, and I happen to know the principals very well; it's a real fine operation, there is no question about it. At the official opening, they received a combined payment of 15,596.00. P & L Photo, a film processing project, is a new plant, a 32,000 capital investment, five new jobs; they got 16,058.00. Tal Industries, a ceramics new industry, three employees, 21,006; they got 10,800.00. Selkirk Styrene Products Limited, water buoys and building forms, a 29,000 capital investment, 14,725 forgivable. That's the first advance that has been paid, and that particular plant, Mr. Speaker, has an exceptionally interesting product in the form of styrofoam forms for basements or various other concrete work. And it has, apparently, caught on extremely well. They have a tremendous market in the United States. So that is money very, very well spent in the Leader of the Opposition's constituency.

Regional News, a printing organization in Selkirk, the Leader of the Opposition's home area, three new jobs, 50,800 capital investment, 15,240 forgivable offer.

Now, in addition to the above, a conditional offer was made there, Mr. Speaker, to BWB Industries, a manufacturer of heating blankets, in the amount of 30,000.00. Now, I don't know whether that project has been proceeded with or not, but the offer was there. Considerable time was spent in assisting a potential manufacturer of wooden reels and developing a business plan for the project. It was subsequently rejected because it was not considered a viable plant, so there is some research and expertise going into these operations, they are not just handing out money willy-nilly. But in all the above cases, Mr. Speaker, department assistance was and is being provided by way of counselling and

consulting, through the Winnipeg Enterprise Development Centre and the Small Business Enterprise Development.

The Small Business Development Centre in Brandon has been reasonably successful. We hope to see a good deal more successes in that particular area. I know the Member for Brandon East will be overjoyed with any help that can be provided to new and expanding firms in his particular area. It's only through these new projects, one of which is to develop the development centres in Winnipeg and Brandon — there is an industry sector development program, Mr. Speaker; there is an industrial infrastructure program; there is a Rural and Small Enterprise Incentive Program, a good deal of that is certainly worthwhile. There are one or two things that I even object to in the program, even though I won't be able to support the Member for Rossmere's whole resolution, there are one or two items I think could be improved upon, as all cost-shared government programs can be.

The Community Commercial Development Program is a community guide to developing commercial opportunities and enhancing a trading area. That's a good program. There is no question about it that more development and enlargement of trading areas is necessary.

Industrial technology and food product centres, Winnipeg and Portage la Prairie. Now, we know what is happening in Portage la Prairie, Mr. Speaker, with the development of the vegetable processing plants and the subsequent development of the market garden operations in and around Portage la Prairie. It's been a tremendous boom to that particular area, and the possibilities are unlimited. I suppose there is room in that particular area of Manitoba that seems to be more suited to the growth of vegetables. There is a tremendous potential in there, and probably the potential for several more processing plants, which I think is a real boon to agriculture in Manitoba.

Now, Mr. Speaker, I know, from the items I've cited, the benefits that have gone to one particular area, in the Selkirk area that's represented by the Leader of the Opposition, the program has been of tremendous assistance to that particular area, as it has been to other areas, and I know that we're going to receive some support from members opposite for the program. It is a worthwhile program, Mr. Speaker. As I mentioned, I think there are probably inconsistencies to it in some small areas and areas where improvements can be made, but I think they will be made as the program is tested for a year or so. As I mentioned, Mr. Speaker, it is a five-year program, and I think that as it is tested, those inadequacies will be cleared up.

So, Mr. Speaker, I propose an amendment to the resolution. I propose, Mr. Speaker, seconded by the Honourable Member for Rock Lake, that Resolution 18 be amended as follows:

That the words Progressive Conservative in the second line of the first whereas be struck out and be replaced with the words federal-provincial; and all words after the first whereas be struck out and replaced with the following:

WHEREAS during the lifetime of this program to date, outmigration is expected to have been below the ten-year average, and 1978 outmigration was

less than the average over the ten-year period 1969-1978; and

WHEREAS on the recommendation of independent private sector boards, the contribution of 2.2 million in forgivable loans for small enterprise will result in 5.6 million in total capital investment in the private sector, creating 380 new employment opportunities in the rural regions of this province; and

WHEREAS out of the total agreement cost of 44 million over five years, the province's committed contribution for the rural Small Enterprise Program so far amounts to 880,000; and

WHEREAS it would not be in the Manitoba public interest to utilize federal-provincial funds in order to ensure loans by local lending institutions, since existing programs at 100 percent federal expense already provide loan guarantees under the Federal Enterprise Development Program and duplication of programming would be wasteful of public resources;

NOW THEREFORE BE IT RESOLVED that the government continue its effective implementation of Enterprise Manitoba Program to stimulate the investment of private sector capital and the creation of new employment opportunities throughout Manitoba.

MOTION presented.

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

MR. CHERNIACK: Thank you, Mr. Speaker. I did want to make some comments about the address of the Honourable Member for Minnedosa, but now that we have the amendment then of course I will address myself to the amendment, because that's in accordance with the rules.

My first comment of course is the apparent intention of the Honourable Member for Minnedosa to disassociate the Progressive Conservative Party from the program known as Enterprise Manitoba as the policy direction, because he seems to make a specific point of saying, no no no, don't call it the Progressive Conservative government program, but rather call it the federal-provincial program. He wants to call it the federal-provincial government program known as Enterprise Manitoba and that's fair game. It's correct that way. I'm just surprised that he disassociates his party from it. One would think that one shouldn't quibble about these words unless one has good reasons so to do and one has to wonder, as I do, what's the point to that first paragraph in the amendment? Does he want to say, look, look, don't blame us, we're forced to do something? The federal government is forcing us to go into this program and therefore, please don't call it Progressive Conservative. Please do call it federal-provincial. Is the Progressive Conservative party going to stand up and say, we deny our role as a party, as a political objective of the party to sponsor this program, and just say, well, it's the government? Because the way I read it, the change of course becomes not the Progressive Conservative government, but rather the Manitoba government. It's interesting, Mr. Speaker. One sometimes wonders how words get into resolutions and I

certainly wonder how these words, this first paragraph, got into this resolution and what was the thinking behind it.

The honourable member, I think, was trying to say, we're forced to do as the federal government has spelled out in its agreement and therefore, don't blame us because we're bound by it and therefore, sure it's federal-provincial government's program but not the Progressive Conservative, as if to imply that had the Progressive Conservative party had a say in the program, that it would have been vastly different. He's nodding his head. —(Interjection)— That's even worse, Mr. Speaker. I'm going to quote him. He nodded his head and then he responded from his seat, I'm not the Minister, and I guess that's a pretty honest response, saying, well, I'm not the Minister and therefore I'm not bound by what that government does. —(Interjection)—

MR. SPEAKER: The Honourable Member for Minnedosa on a point of clarification.

MR. BLAKE: Yes, on a point of clarification, Mr. Speaker. I mentioned in my remarks that there were one or two items in the program that I didn't agree with and I would have had them done differently had I been negotiating that deal, but I might not have had any opportunity to make it any different than it was.

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

MR. CHERNIACK: Mr. Speaker, I do. I do appreciate that clarification and the member did say that and I knew he had said it, but I still didn't think that he was going to take the whole Progressive Conservative party off the hook to the extent that he's saying, I don't agree with it, I'm not the Minister, so let's just not blame the whole Progressive Conservative party for whatever defects there are in this program, let's just say it's the government. And he's right. As a backbencher I am sure he was not consulted to that extent to whether or not this program would go ahead.

The reason I started from this first paragraph is, of course, it occupied such a high position as being the very first paragraph that it caught my eye and my fancy, and I wanted to respond by saying, that the resolution which it amends or wishes to amend, said that the government be urged to renegotiate its Enterprise Manitoba program. The member should know that once you're into renegotiation he might even have helped to straighten out those few details to the program he doesn't agree with and therefore he should have been prepared to agree with the effort to have the government renegotiate the program. And of course in the case of the resolution it spells out some specifics, but that would not have prevented the Member for Minnedosa from indeed pointing out those features he doesn't agree with. Although I listened to him, I was distracted for a moment or so and maybe during that moment I didn't hear the points with which he disagreed in the present agreement. I guess I'll have to reread in Hansard what he said to find out just what it is he doesn't agree with, because I admit that I probably didn't catch that point to it.

Mr. Speaker, I read the response to the resolution made by the Minister of Economic Development and I must say the Member for Minnedosa was much more to the point and much more concerned with presenting a point of view than was the Minister for Economic Affairs, who lashed out in his usual intemperate way at the resolution itself — (Interjection)— Pardon? In his usual candour, is the word supplied by the Minister for Fitness and I guess that's equally as descriptive as was my description of the Minister. And now that he's come into the Chamber and probably will be ready to speak on the amendment and . . .—(Interjection)— Ah, well the Minister of Fitness says he's next and if he speaks as long as he's likely to do then we will be unable to hear the Minister for Economic Affairs on this today, I guess. —(Interjection)— Well, maybe not, that remains to be seen. Of course, it does.

Mr. Speaker, I was interested that the Member for Minnedosa spelled out the program fairly elaborately and discussed it and pointed out, as had been the Minister for Economic Affairs when he spoke on this matter on April 10th, pointed out that the amount involved in the forgivable loan or the grant portion is a small amount of the total expenditure. And that doesn't make it meaningless, it just makes it in proportion a lesser part of the entire program.

But, Mr. Speaker, I remember back in the good old days when I sat on the other side of the House and members opposite sat on this side of the House, when we were being criticized for making loans to various enterprises, free enterprise efforts to get started, and were criticized because the loans were not being repaid. We made the point then — I don't know that I did but I heard it made often enough — that by making a loan rather than a grant, one can more properly monitor the operations and that one imposes on the person who is the recipient of the loan and has to pay it back at imposed conditions, and the moral, at least, obligation to repay the loan.

We know that there have been offences under the — is it the DREE program where some builder out in the western part of this city spent DREE money on his own home and it had to be an accounting process which then had to catch up with that person for abuse or misuse of the funds. Now when you make a forgivable loan, I would think that the monitoring is not as great, and it is of course costing to monitor it properly, but I think that the obligation imposed on a recipient of money to repay is a good one and it's probably more of a free enterprise approach than the one of making grants. The feature — and I think it was mentioned by the Member for Rossmere when he introduced the original resolution — the feature of making grants is that you're no longer accountable. You make the grant. It doesn't show as an outstanding loan. You never have to wipe it off. You don't go through the embarrassment of saying, well, that was a poor investment because we thought they would pay it back and didn't. It's much handier now so it eliminates a great deal of administrative difficulty.

I think that it is not the job of government just to hand out money but rather to — I don't mean just to hand out money — to investigate and then hand out money. It should also be the obligation of government to investigate, then advance money where it feels that it will stimulate the economy, or

stimulate business in the district, the community, or the province itself, and then continue to monitor it and not release the recipient from payment, if the recipient becomes in a position to pay the money back.

I think it is ludicrous, Mr. Speaker, when governments advance money to even — are they multinationals that come in and say, well, we will set up a plant in your province, providing we get various kinds of concessions, including reduced taxation, forgivable loans and outright grants. I don't agree with that. I think that —(Interjection)— Mr. Speaker, you see, it's peculiar, the Minister of Economic Affairs tells me that the Member for Brandon East does. The Member for Brandon East has told me what he thinks. I don't need the Minister for Economic Affairs to tell me what somebody else thinks, unless he thinks that I will change my mind because somebody else thinks that. I'm just stating my opinion, and I think that I not only have a right to my opinion, but I have the right to express the opinion, and have done so.

So it is not too much concern to me at this stage when I am discussing a philosophic approach to economic development as related to DREE programs, to set out that I think that one becomes subject to the bargaining process when one starts dealing with giveaways. I think the Minister for Economic Development, I want to bring him pretty far back in history, certainly not in my time and I'm sure not in his time, but he is well aware of the fact that when he was a member of a municipal council, the area that he represented had planned its affairs in such a prudent manner, way back when development was taking place, that they were able to control the land that was municipally owned, were able to control development and were able to survive the problems that municipalities often are subject to, whereas if you look at the very other side of the city, all the way across into Transcona, and again this is not in his time nor in my time, but at a time when Transcona was so hungry for development, industrial development in the municipality, that they begged people to come and take the land and made deals with them and permitted them to have tax concessions. And that kind of competition, I think, proved to be unhealthy for the overall area of Winnipeg.

That is one reason why, when we drew what is known as The Unicity Act, the Act that created the new city of Winnipeg, we provided that municipalities could not enter into deals of that kind. I think it is was right. We also provided that municipalities have a right to make grants in certain respects to industry, but that that had to be open and above and clearly defined in the budget.

I don't believe in these outright grants. I do believe that it's a good idea to keep them accountable, keep them responsible, and keep them at least, well certainly not only morally bound, but legally bound to repay the debt if they have the ability so to do.

On the other hand, Mr. Speaker, I would be inclined to be pretty understanding of them if it is found that they were unable to pay the debt because the planning was such as did not assist them in reviving their capacity, their financial capacity.

So, Mr. Speaker, I marvel somewhat at the fact that the government does not want to be faced with

the problem presented to them of requesting that the government renegotiate its Enterprise Manitoba Program with the Department of Regional Economic Expansion. The reason I do that, Mr. Speaker, is because, as I said earlier, the resolution starts out by disassociating the Progressive Conservative Party from the program. The speaker who introduced this amendment said, and I don't quote him precisely, but he implied that this is a program, it's a federal program, and the government is bound to carry out the program as set out in the agreement.

But he says it's bound, he disassociates the Progressive Conservative Party from the program by substituting the words federal-provincial, and at the same time he does not ask or support the idea that the government should renegotiate that program with the Department of Regional Economic Expansion. Of course, it can be said this resolution does not have to be passed in order to enable the Minister for Economic Development to attempt to renegotiate it. He doesn't need the support or the urging of this House to attempt to renegotiate it, but if you were prepared to renegotiate it, it might be helpful to him to show that an all-party Legislature agreed to support him in his efforts to renegotiate it.

So I'm disappointed that the Member for Minnedosa has brought in an amendment which would take away from the government the opportunity to attempt to renegotiate it. I hope that when the member on the government side, who has indicated he intends to follow me, that when he gets up, he will clarify whether the amendment is truly one where he agrees that the Progressive Conservative Party should be disassociated from the program. That's one thing I hope he will deal with. I hope he will also deal with the fact that they are bound by the agreement satisfies them, that they don't want the opportunity to renegotiate it because they do agree with the program, which is somewhat different from the presentation made by the Member for Minnedosa, so that we have a clear picture. Is the government entirely happy with this program? Does it not want to renegotiate any part of it? Does it not want to take advantage of the resolution presented to it whereby it can indeed say that the Legislature of Manitoba would like us to try to renegotiate it. Are they so completely pleased with the program that they accept it, and if so, why don't they want to take Progressive Conservative credit for the program? If they don't want to renegotiate it, if they're completely happy with it, which is not the case of the aspirant from Minnedosa, who is not the Minister, and I think would like to be the Minister for Economic Development, then is it the government's position that they don't want to change the agreement, they're happy with it, and nevertheless, it's not Progressive Conservative.

Mr. Speaker, I want to conclude by saying I have not the slightest doubt in my mind we will hear more descriptions of the mistakes made by the NDP government in the past, what did he say, the Chinese food, the airplanes, we'll hear more of that. And that's just a lot of nonsense to continue to deal with, because members opposite should know, as we have learned, that matters like that are no longer of great concern or interest to the voting public, that they're not going to keep on getting excited about what was an election issue of days gone by. I would rather

hear them talk about the philosophy in the resolution as opposed by the amendment. I would really like to hear that, Mr. Speaker. I'd like to hear the difference between us on both sides on this aspect. But if we're going to get nothing more than a tirade, a historical description of what went on in the past, well, we'll have to hear it because they have the right to speak that way if they so choose.

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

HON. ROBERT (Bob) BANMAN (La Verendrye): Mr. Speaker, I rise to contribute a few words to this particular resolution, words of wisdom, as the member put it, and maybe give a little bit of historical background as to how the government embarked on this program. First of all, the members opposite have to appreciate that one of the shortcomings of DREE was that small entrepreneurs who required small amounts of money with regard to the development of a new business were not eligible under the DREE program, the federal Department of Regional Economic Expansion programs, and there was, what we believed, a problem area where the small entrepreneurs who required some funds, unless they built to a certain capacity and a certain size, could not get any of the DREE money. So very often what happened, and I think the members opposite will realize that that has happened a couple of times, is that people were sort of lulled into building enterprises which were bigger than they could really handle, just in order to get the DREE money.

It was the government's intention, on this side, to try and help small rural enterprises, and that's where this program is geared at, it's not in the major urban areas. One of the problems we have in rural Manitoba is to attract some of the larger companies. For instance, I just went through a particular instance where a large company from outside the province was looking at developing something in my own home town. One of the problems we had was that the financing of the particular building that we were talking about, the people providing the capital for that building felt that the resale value and their security was better in metropolitan Winnipeg than it was in rural Manitoba because of the bigger market within the Winnipeg area. So as a result, Mr. Speaker, we could not compete in that particular instance.

If we are to develop enterprises in rural Manitoba, we have to help home-grown industries who have a commitment to their local area. One of the things the members will appreciate it is that a large company coming in is looking for the best tax advantage, the best grant qualifications, as well as also the best position in case of resale of the physical assets. So we are faced with trying to develop programs which are geared towards rural Manitoba, which will help local entrepreneurs who have a commitment to their particular small town, or their particular village. I think this program, to a large extent, is overcoming that problem.

The program, as the Member for Minnedosa mentions, has given out something like 880,000 of Manitoba's taxpayers' money over the last two years, Mr. Speaker, and has stimulated a fair amount of activity in rural Manitoba. Mr. Speaker, if you just

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want to look at the few things that we do as government, McKenzie Seeds this year lost more money than we have given out in this program in two years, this one enterprise. Flyer Industries, which we keep going, Mr. Speaker, which is providing jobs in Manitoba, is going to lose something like 4 million this year, Mr. Speaker, to provide some 400 jobs here in the city of Winnipeg. And, Mr. Speaker, if that is not a giveaway, or a grant to keep something going, I don't know what is.

But we have decided, Mr. Speaker, as a government, to keep these two enterprises going. We're going to try and strengthen the operations, to try to make them viable operations, but these particular moneys are spent and long gone. These two enterprises in one year, Mr. Speaker, have cost the Manitoba taxpayer 5 million. We are talking about helping a number of small entrepreneurs in the province for a total, in two years, of 880,000.00. It's a small step in trying to get some enterprises going in rural Manitoba.

Mr. Speaker, I see I'm running out of time, but I have a few more things that I want to say with regard to this when next I speak, but I couldn't help, and I should have maybe asked the Member for St. Johns when he was speaking what his position on the large grants, such as the ones that are going to Chrysler and Ford to try and bail out some of these companies that are having some problems, to try and create jobs. Now, he says, participation. Mr. Speaker, I suggest to you that a situation like the Chrysler deal, by participation that won't solve any problems . . .

MR. SPEAKER: Order please. The hour being 5:30, the Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Minister of Economic Development, that this House do now adjourn and resume in Committee of Supply at 8:00 o'clock.

MOTION presented and carried and the House adjourned and stands adjourned until 10:00 o'clock tomorrow morning (Friday).