

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 17 June, 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 Rock Lake.

MR. HENRY J. EINARSON: Mr. Speaker, I beg to present the first report of the Standing Committee on Private Bills.

MR. CLERK: Your Committee met on Tuesday, June 17, 1980, and appointed Mr. Steen as Chairman.

Your Committee has considered bills:

Bill No. 11 — An Act to incorporate The Brandon General Hospital Foundation,

Bill No. 17 — An Act to amend An Act respecting the Agricultural and Community District of Newdale,

Bill No. 24 — An Act to amend The Manitoba Club Act, 1931,

Bill No. 29 — An Act to amend An Act respecting Victoria General Hospital,

Bill No. 45 — The Investors Syndicate Limited Act, 1980,

Bill No. 46 — An Act to amend An Act Incorporating The Regent Trust Company,

Bill No. 52 — An Act to amend An Act to amend, revise and consolidate An Act respecting the Congregation Shaarey Zedek.

And has agreed to report the same without amendment.

Your Committee has also considered Bills:

Bill No. 41 — An Act to incorporate the Bethesda Foundation,

Bill No. 53 — The Winnipeg Foundation Act.

And has agreed to report the same with certain amendments.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: I move, seconded by the Honourable Member for Roblin, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR: Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again. I move, seconded by the Member

for Wolseley, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: I beg to move, Mr. Speaker, seconded by the Member for Roblin, that the fees paid with respect to the following bills be refunded, less the cost of printing:

Bill No. 11 — An Act to incorporate The Brandon General Hospital Foundation,

Bill No. 17 — An Act to amend An Act respecting the Agricultural and Community District of Newdale,

Bill No. 29 — An Act to amend An Act respecting Victoria General Hospital,

Bill No. 41 — An Act to incorporate the Bethesda Foundation,

Bill No. 52 — An Act to amend An Act to amend, revise and consolidate An Act

respecting the Congregation Shaarey Zedek,

Bill No. 53 — The Winnipeg Foundation Act,

Bill No. 37 — An Act to amend An Act to incorporate the Wawanesa and District Memorial Hospital Association. (2nd Session, 31st Legislature, 1978).

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. DOUG GOURLAY (Swan River): Mr. Speaker, I wish to table the Preliminary Statistics for District Meetings, Union of Manitoba Municipalities, by the Manitoba Assessment Review Committee.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MR. SPEAKER: At this time, I would like to introduce to the honourable members 23 students of Grade 4 and 5 standing from the Jameswood Elementary School, under the direction of Mrs. Stefanson. This school is located in the constituency of the Honourable Minister of Economic Development.

We have 4⁽¹⁾ students of Grade 9 to 11 standing from the R.B. Russell School, under the direction of Mr. Lukovich. This school is in the constituency of the Honourable Member for Point Douglas.

We have 29 students of Grade 4 standing from St. Norbert Elementary School under the direction of Mrs. LaFleche. This school is in the constituency of the Honourable Minister of Health.

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 Agriculture. Can the Minister of Agriculture provide us with any updating as to whether or not there have been any changes in the past several days pertaining to the impact of the drought on the agricultural conditions in the province?

HON. JAMES E. DOWNEY (Arthur): Mr. Speaker, there has been some spotty showers throughout the province but really no significant rainfall to alleviate the difficulty that the farm community is going through at this particular time.

MR. PAWLEY: Mr. Speaker, a question to the Minister responsible for the Environment and for the office of the Queen's Printer. Can the Minister advise whether or not he has received any complaints pertaining to delays on the part of the Queen's Printer from government circles or agencies depending upon the office of the Queen's Printer?

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Affairs.

HON. WARNER H. JORGENSEN (Morris): Nothing, Mr. Speaker, that would be considered out of the ordinary, delays in the printing of Hansard and things like that, which are not unusual.

MR. PAWLEY: Can the Minister confirm that he has received complaints from members of the judiciary pertaining to delays in receiving Statutes from the office of the Queen's Printer, outside of the normal waiting period for receipt of Statutes?

MR. JORGENSEN: No, Mr. Speaker, such a complaint has not been drawn to my attention.

MR. PAWLEY: A further supplementary to the Minister: Can the Minister advise whether or not there have been any recent changes in respect to top management of the Queen's Printer?

MR. JORGENSEN: Yes, Mr. Speaker, the Queen's Printer himself has been relieved of his responsibilities.

MR. PAWLEY: A further supplementary to the Minister: Can the Minister advise whether or not any replacement has been obtained for the Queen's Printer, in view of this replacement?

MR. JORGENSEN: Yes, Mr. Speaker, a temporary replacement is now acting as the Queen's Printer and competitions will be held for the office of the Queen's Printer in due course.

MR. PAWLEY: Mr. Speaker, can the Minister advise whether or not, in view of the lateness in receiving bills, whether any of that is attributable to the office of the Queen's Printer?

MR. JORGENSEN: No, Mr. Speaker. I would think not. It may have some slight bearing, but I don't think a significant one.

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

MR. BILLIE URUSKI: Thank you, Mr. Speaker. Several weeks ago, the Minister of Agriculture during estimates, indicated that Crown lands would be available to farmers who required grazing areas for cattle, that they should make application and those applications would be dealt with. I'd like to ask the Minister of Agriculture to indicate the reasons within his department as to the long delays in approving applications for farmers waiting to use Crown lands for grazing purposes in these extreme conditions, as he has so acknowledged?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, as I indicated, we were making Crown lands available. If the member has a specific piece of land that he could refer to so we could trace that particular one down, it would be helpful, as a general policy and directive from me has been to speed up the process and make as much of that Crown land available as possible and have the decision-making process shortened to where farmers can move fairly rapidly to take advantage of grasses that are available on Crown lands.

MR. URUSKI: Mr. Speaker, I would like to ask this Minister, or his First Minister, whether the Minister of Agriculture in the province of Manitoba has any authority in this government, or does he not realize the seriousness of the situation; if he does, can he assure the farmers today that they can undertake the necessary movement of cattle, the fencing that is necessary for the land that they have applied for. Or are they going to have to wait until it's too late when they already have to look for hay in the province of Manitoba and can get on the land that they have applied for, Mr. Speaker?

MR. DOWNEY: Mr. Speaker, I think probably what I have been answering over the past few days has been the same kinds of questions I am getting from the member today. We have been doing a multitude of things to alleviate the problems that the farm community are facing during these dry conditions. To further elaborate on what the member is suggesting, I think if he could, in any way, give us a specific case that he's referring to, it may be helpful to trace down some of the difficulties that he is referring to. But in a general sense, we have been putting in place programs, we have activated the intergovernment departments to make these lands available, and it's just a matter of the farmers going ahead and identifying those Crown lands or getting those Crown lands available that they see they want to use.

It's in the process, Mr. Speaker. If in fact there are some areas that are being held up, I would like the member to tell me.

MR. URUSKI: Thank you, Mr. Speaker. The Minister well knows that there are lands that are

even outside the management area; the identification of Crown lands is not necessary. We know where the Crown lands are. The Minister of Agriculture should make sure that his colleague, who appears to have more authority than the Minister of Agriculture over lands where resources have the jurisdiction — I would hope that he could put into place the necessary mechanism to speed up the applications that have been made by farmers who are waiting for those Crown lands. If he can give that assurance to this House and to the farmers that those applications will be dealt with immediately, not where farmers have made applications two and three weeks ago and have had no replies because of the cumbersome procedure that this government has undertaken dealing with Crown lands, so that he can move things very quickly. And as well, Mr. Speaker, whether the Minister would like to make a statement with respect to the Saskeram area, since he has declined to meet with farmers from The Pas area, and the Reeves and Councils from that area, whether he has any announcements to make with respect to hay cutting in that area, Mr. Speaker?

MR. DOWNEY: Mr. Speaker, some weeks ago, we announced that we were providing transportation for livestock to the Crown lands that were identified usable. And with reference to the Saskeram, I stated in the House that the Saskeram area was being made available to the livestock producers; that we were assessing — I had a man in the field assessing what the water levels would have to be lowered to take advantage of the hay crop that was there, that we were implementing a structure, a bridge, so that we could get to those particular properties. That all, Mr. Speaker, is taking place, plus the fact, I've had daily contact with the Farmers Association in that particular area, as well as communication with the Reeve of that particular area.

I would also like to add, Mr. Speaker, that there has to be a system worked out to allocate that hay, and I firmly believe, Mr. Speaker, that the local municipalities have to be involved in that allocation, that it can't directly come from government. It's a joint effort that has to be put forward to work together when we have times of difficulty such as we're experiencing with the dry weather.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, I wonder if I could ask the Minister to make doubly sure in my mind that I understand what's happening in terms of the Saskeram area at The Pas. Has agreement been reached with Ducks Unlimited to drain that area; has the government made a firm decision now and has draining begun in that area?

MR. DOWNEY: Mr. Speaker, the jurisdiction of water control falls within the jurisdiction of my colleague, the Minister of Resources, but I would have to say that we have been in consultation with Ducks Unlimited, that the authority to lower the water level lies with the Minister of Resources, and we will be dealing with that particular item later on this afternoon. But I can assure him that all action possible has been taken to make that hay available,

and one of those considerations is to lower the water in that particular area. And there has been consultation with the Ducks Unlimited.

MR. McBRYDE: Mr. Speaker, I believe I had better address a question to the Minister of Resources then, because both in the answer the Minister gave yesterday and today, he implied that the land was going to be drained, but later on in his answer there was some indication that that decision has not been made yet. So I wonder if the Minister of Resources could tell us whether or not the government of Manitoba has yet made a decision to lower the water levels to allow drainage to take place in the Saskeram area near The Pas and whether that process has started yet?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, I think that my colleague, the Minister of Agriculture is correct in saying that the decision in principle has been made, that we will in fact, be managing the area to produce more hay than is the case ordinarily. But the actual water management regime has not been decided upon, because it's necessary to decide at what level we are able to get a greater production of hay and still not impact too greatly on the other resource considerations.

I'm sure that the honourable member is aware that the local Indian band, for instance, has an interest in the area, that part of their welfare depends upon that area producing wildlife, as it was intended to do. And so it's not our intention to simply ignore those interests in order to be able to produce more hay. So the question is, how do we balance the traditional interests, plus the interests that arise out of this immediate situation. And that's what we are now addressing, Mr. Speaker.

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

MR. McBRYDE: Mr. Speaker, I think it would be probably best to direct a question to the Minister of Agriculture, although if the Minister of Resources feels more able to answer it, he could proceed. But I wanted to know from the government side, when did they begin planning, or when did they begin consideration of the potential of the Saskeram area because of the drought conditions? When did the Minister or his department or the Drought Committee that is supposed to be making plans, begin considering and making active plans for the use of the Saskeram area, and did they do it before the farmers threatened to remove the dam themselves?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, the Saskeram has been part of the drought committee discussions well before several weeks ago, in fact the first action by myself as the Minister to have farmers aware or alerted to the problems that the drought could incur, was to make an announcement prior to the deadline for crop insurance, prior to April 30th, by a public

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press statement that the deadline was in fact April 30th. Following on our meetings within government and some of the discussions held within the department, the Saskeram was part of those overall discussions. The decision had been made some time before any kind of action was taken in The Pas area, prior to any of the recent discussions or the information that he's been receiving out of that particular area. In fact, Mr. Speaker, I could also indicate to the member that The Pas district farmers for several years have been showing their concern and weren't getting any response under the members opposite, but in fact they are now getting some response from this government here today.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I'd like to direct a question to the Minister of Government Services and to welcome him back from his junket to Great Britain. I hope that he hasn't picked up any British affectations or affected the British at the same time.

Mr. Speaker, I would like to ask him a question concerning the talks that have been going on and the discussions concerning urban renewal in the city of Winnipeg between the federal government, the province, and the city of Winnipeg, and ask him whether he has attempted to plan any new construction in lieu of the cancellation of the autopac building or the shifting of the courthouse from the city hall region to the downtown area?

MR. SPEAKER: The Honourable Minister of Government Services.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, I'm delighted to indicate to the honourable member opposite, they did take note of my temporary absence, but the question the honourable member refers to of course, comes more directly under the chairmanship of my colleague the Minister of Urban Affairs, who has meetings on a more regular basis with the members of city council. I can indicate to him only as Government Services Minister that I have received a specific request from the city of Winnipeg for expressing an interest in some of the property that the honourable member refers to that had been expropriated for yet another unnecessary public building. We are of course in the process of building those buildings, such as the 12 million courthouse complex which many people are looking forward to in the judiciary for completion, and when other plans will be in a position to be announced, they will be announced.

MR. DOERN: Mr. Speaker, I would ask the Minister whether any reconsideration is being given by the Minister upon the request of the city, or upon the request of his colleague, the Minister of Urban Affairs, to relocate the new courts building into the city hall complex?

MR. ENNS: Mr. Speaker, no, the answer is a short and very definitive no. There seems to be a very unanimous opinion among those who have to work in the judicial system that the present choice of the

location of the planned new court facilities is the right one. The city has expressed, and it's an assumption on my part, that their interest in some of the lands are for potential expansion of administrative or other city-related reasons for wishing to have that land. Both the Mayor and the Chief Commissioner, Mr. Nick Diakiw, have informally, and I understand more formally through the offices of the Urban Affairs Minister, made specific requests for that land, Mr. Speaker.

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

MR. DOERN: Mr. Speaker, I'd ask the Minister whether he has informed the First Minister that the new provincial garage will be fully accessed in a couple of months.

MR. ENNS: Mr. Speaker, because of this government's continued interest in education, and because we can use fully 25 percent of that building for badly needed space and vocational training for my colleague the Minister of Education, and because we have moved on and made a final decision with respect to the location of the court complex, for that reason, roughly speaking, 2/3rd's of the white elephant that was built some five years ago will be utilized by this government this September. We are being supported in that role with the federal government helping as they do in the capital acquisition of making those kinds of vocational job training spaces available, education spaces available, and I can indicate to the honourable member opposite that it was the kind of co-operation that I think honourable members opposite would expect from Ministers on this side, co-operation from the Minister of Education in this case, working together with the Minister of Government Services to make the best possible of surplus space that we had inherited, Sir.

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

MR. DOERN: Mr. Speaker, I just ask the Minister whether he has finally found his car which apparently was missing?

INTRODUCTION OF GUESTS

MR. SPEAKER: Order please. If my interject at this moment, or interrupt, we have 27 students from Kindergarten to Grade 8, from Milltown Elementary School, under the direction of Mrs. Skrabek. This school is in the constituency of the Honourable Minister of Consumer and Corporate Affairs. On behalf of all the honourable members, we welcome you here this afternoon.

ORAL QUESTIONS (Cont'd)

MR. DOERN: Mr. Speaker, if I could just repeat that — I believe the Minister was stopped from answering — has he finally found his car, or was his trip to Britain partly for the purpose of looking for it?

MR. SPEAKER: Orders of the Day. The Honourable Member for Churchill.

MR. JAY COWAN: Mr. Speaker, my question is to the Minister of Northern Affairs. I'd ask the Minister, in light of a recent announcement that Pacific Western Airlines has cancelled a number of scheduled flights to northern Manitoba communities, and as these scheduled changes follow a series of major scheduled changes in northern Manitoba in northern service by PWA over the last number of years, is the Minister prepared to investigate the impact that these cutbacks and reductions in service will have on northerners wishing to travel by air service?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

MR. GOURLAY: Yes, Mr. Speaker, I'd be interested in studying the impact it would create on the northern communities.

MR. COWAN: Thank you. A supplementary to the Minister of Northern Affairs would be, as there have been significant cutbacks in scheduling and air service among local air carriers in northern Manitoba and as there appears to, at the same time, have been a substantial increase in air fares and shipping costs charged by these local air carriers, is the Minister prepared to fully investigate all aspects changes and recent changes in northern air transportation services?

MR. GOURLAY: Mr. Speaker, the comments from the Minister, the Member for Churchill, are quite interesting because recent indications that I have is that the northern carriers have never been busier in the last ten years than they are right now.

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

MR. COWAN: Thank you, Mr. Speaker. Well, then, I'm glad I brought this matter to the Minister's attention, because the fact is that there have been substantial cutbacks in scheduling in service of communities, which may or may not correspond with increases in other sorts of activity, but the activity that is ongoing for the benefit of community residents has, in many instances, been cut back. I would ask the Minister to investigate that, and as I have personally been approached by a number of constituents and I know that there is obviously great public interest as well as concern about these cutbacks and reductions in northern air service, I would ask the Minister if he is prepared to open his investigation to the public so that he can make those concerns known to him and known to those persons doing those investigations, and I would ask him if he is prepared to do so by way of making this a public inquiry into reduction of air services in northern Manitoba conducted by the provincial government on behalf of those citizens in northern Manitoba who are having to suffer through those cutbacks and reductions?

MR. GOURLAY: Mr. Speaker, I would be pleased to take this question under advisement.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. JUNE WESTBURY: Thank you, Mr. Speaker. My question is to the Honourable Minister of Agriculture. In view of the fact that the Milk Control Board has expressed concern over the effect on disadvantaged individuals of the increases in the price of milk, particularly the effect on low income expectant mothers and on the aged, and the Milk Control Board having announced that it will initiate a review of means by which fluid milk may be made available at a lower cost than the maximum, could the Minister please advise the House how this review will be conducted and specifically, who will be conducting the review?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: First of all, Mr. Speaker, I don't really know what authority the Milk Control Board have to have such a review, however I am looking into that particular matter. I would also like to say, Mr. Speaker, that our government, in the recent budget that was introduced, have certainly shown their concern for low income people by introducing a CRISP Program, a child program to assist those low income peoples who are in need, and many other items in the budget that are zeroing in on those particular people.

MRS. WESTBURY: May I take it, then, that the Minister took my question as notice and will advise the House as to the answer to the question, Mr. Speaker?

Then my second question to the Minister is, will he advise the House how this review is to be conducted, if it is to be conducted, and by whom it will be conducted? Will there be hearings open to the public; will the public be permitted to make representations? Will he give us a full report on the method that this review, which is described in a news release dated June 12th from the Milk Control Board, how it is to be conducted, Mr. Speaker?

MR. DOWNEY: Mr. Speaker, as I've indicated, after reading the same press release that the Honourable Member for Fort Rouge has read, I have asked the Milk Control Board to report back to me on what the proposed type of review is that they're anticipating, and under what authority they have to make that kind of a review.

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

MR. LAURENT L. DESJARDINS: Mr. Speaker, my question is to the Honourable Minister of Cultural Affairs. Did the Minister authorize and approve the press release issued by Information Services Branch under her name?

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

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HON. NORMA L. PRICE (Assiniboia): I would like the Member for St. Boniface to be more specific. I don't know which one you are referring to.

MR. DESJARDINS: Mr. Speaker, is it then the custom of the Minister to approve some and not others, when she is quoted at making a statement in the press?

MRS. PRICE: Mr. Speaker, I've approved many public information releases, so I don't know what you're referring to.

MR. DESJARDINS: I can tell the Minister what I was referring to, but the Minister opened another avenue. It seems that she doesn't know if she approves them all, although they quote the Minister. The one that I'm referring to is the one dated June 13, 1980, Continuing Cultural Exchange with France.

MRS. PRICE: Yes, Mr. Speaker, I approved it.

MR. DESJARDINS: Then, Mr. Speaker, would the Minister check her facts because it's misleading; in fact it's more than misleading. Some of these statements are not factual at all, they are contrary to what has happened. So I wonder if the Minister would check the facts before this information goes to the public.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Speaker. I'd like to ask a question of the Minister of Economic Development, which is a follow-up to the questions asked by my colleague, the Member for Churchill, on cutbacks in air service to Manitoba points. The Pacific Western Airlines, which took over the service from TransAir, Mr. Speaker, have stated in their announcement that the reason for the cutbacks in the north is the insufficient passenger traffic. My question to the Minister of Economic Development is, has his transportation staff examined the basic reasons for this lack of traffic, and do their studies confirm that, in the final analysis, a drop in levels of economic activity and higher unemployment in the north are among the chief reasons for this lagging demand?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, the Minister of Northern Affairs took the question as notice. I'm not familiar with the article that he's reading from. The transport group does come under my department. I also will take it as notice, and the Minister of Northern Affairs and I will give an answer, but I can say there's never been more exploration and more things going on in the north in years than there is right now.

MR. EVANS: Mr. Speaker, PWA have announced cutbacks in services in an east-west direction as well as north-south. I wonder if the Minister who is responsible for transportation matters, the Minister of Economic Development, would approach the Canadian Transport Commission and complain about

this reduction of air service to Manitoba points and make representation, in effect, to see that we are getting the service that we should be getting by PWA, inasmuch as it has taken over the responsibility from TransAir.

MR. JOHNSTON: Mr. Speaker, again, I'll take it as notice and inform the honourable member when we have all the information in front of us.

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

MR. EVANS: I have a supplementary to the Honourable Minister respecting the long sought-after jet air service to the city of Brandon. During the last provincial election, the Conservative leader committed a possible Conservative Party government to implement what he described as first class, namely jet air service to the city of Brandon. My question to the Honourable Minister is, what is the government prepared to do now to bring this about? Or is the Premier and this government ready to admit that they are really not in a position to fulfill that particular election commitment?

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: On the contrary, Mr. Speaker. The member was once in charge of the transport group, and he obviously didn't know how it operated. Mr. Speaker, the request for PWA to go Calgary, Brandon, Toronto, is still there, it's still waiting for a hearing in front of the CTC. I wonder if the member sent his letter? There has been a concerted effort by the department to get the people of Brandon working with the Chamber of Commerce, the city of Brandon and everybody, to write and inform the CTC of their interest. There is a second drive being put on in Brandon, which has been requested by my department to not only go to the CTC, but the three commissioners that are in Manitoba. They are requesting that it be done by hearing in Brandon, and there is a lot of work going on in co-ordination with our department and the people of Brandon to get this done. I'm very surprised the Member for Brandon East doesn't know about it.

MR. EVANS: Mr. Speaker, I'm well aware of efforts by many people in that community and in western Manitoba to try to bring about what seems to be a very elusive objective. My question is to the Minister and to this government, are they finally prepared to admit that they haven't got the power or the ability to try to bring about this service? They're very good at public announcements when there was a possibility that it was coming a few months ago, but what can the government of Manitoba do to bring this jet service about? Or is it prepared to offer some subsidy to PWA to make it attractive to it? I'm sure that is not the case.

MR. JOHNSTON: Mr. Speaker, PWA made it very plain they don't want any subsidy. And the CTC are the people that will make the decision. I have written the Minister on two occasions, I've written the Chairman of CTC; we will be prepared to meet with

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them; we are continuing to work on it. The member is right in that respect, it will be the CTC that makes the decision. But PWA has asked for no subsidy to give that service, and they'd very much like to do it.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Thank you, Mr. Speaker. My question is directed to the Minister responsible for Housing. Has he or his staff had a chance to look at the federal announcement that the Residential Rehabilitation Assistance Program, RRAP, will be expanded by five percent over last year's amount? Has his department looked at that, and are they satisfied that a meagre five percent increase is sufficient, given the slowdown in construction in Manitoba?

MR. JOHNSTON: Mr. Speaker, I met with the Minister, the Honourable Paul Cosgrove yesterday, as the honourable members know, he was here. He told me he would be making an announcement last night, but he did not give me the complete details at that time. I was fortunate enough at noon to be speaking to the Housing and Rehabilitation Association of Canada, their convention being held in Winnipeg. I might say that the Manitoba people were very encouraged and felt very good about the announcement that was made. They would have liked to have seen the amount of money raised from 10,000 to a higher figure, but that apparently was not possible, but the qualifications have been raised to receive RRAP, and they felt as if it was a fair step in the right direction, Mr. Speaker.

MR. PARASIUK: I'd like to ask the Minister if the government of Manitoba is prepared to change the regulations concerning the Critical Home Repair program, in order to allow pensioners who have received a grant or a loan under the program over the last seven or eight years to reapply to the program to have renovations done to their homes so that they can continue to own their homes, improve their homes, while at the same time providing an opportunity to unemployed people in Manitoba in the construction industry to get them employment. Is the government prepared to change those regulations, which really curtailed the Critical Home Repair program from being effectively continued as an instrument of government policy?

MR. JOHNSTON: I don't accept the statement that it has impaired the critical home repair program, the fact that it hasn't been changed. Mr. Speaker, we were the ones that changed it from the previous government to making it a little different program. And again, Mr. Speaker, the Leader of the Opposition, as I told you before, the honourable members accuse this side of the House and the First Minister of heckling, but he's the worst heckler in the House when Ministers are answering questions. Mr. Speaker, I can say to you that we are looking, as I told the honourable member before, at changing the Critical Home Repair program, and when the decisions are made, it will be announced.

MR. PARASIUK: Can the Minister confirm that he has answered my question, which has been asked for

three years now — at every session, asking whether in fact the restrictive regulations imposed by the Conservative government on the Critical Home Repair program would be removed, and the Minister has answered every time that they are reviewing the situation. Is he now in a position, after three years, and after massive unemployment and tremendous cutbacks in the construction industry, to change the regulations, despite the laughing of the First Minister, despite 6.6 percent unemployment, despite tremendous uncertainty in the Manitoba economy, will the Minister do something with respect to the Critical Home Repair Program to improve the construction industry and the climate in the construction industry in Manitoba?

MR. JOHNSTON: Mr. Speaker, after I present the member with his Academy Award, I will tell him again it hasn't been three years that he has been asking me. He started to ask me last year. And when he asked me last year, we still had a large backlog, and I tell him again, we are looking at it.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. VIC SCHROEDER: Thank you, Mr. Speaker. A question to the Minister of Municipal Affairs. Can he advise as to whether he has received an application for the formation of a municipality by a group which is attempting to purchase the old Rivers Air Force base, and if so, can he advise as to the status of that application for incorporation of a municipality?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. GOURLAY: Mr. Speaker, I'm not aware of any such correspondence coming to my office as this point.

MR. SCHROEDER: Just further to that, is the Minister saying he has not had any correspondence from a group asking to purchase the old Rivers Air Force base, or is it just that they haven't yet asked for municipal status?

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: Mr. Speaker, there has been a group interested in privatizing the Rivers Airport. The question was asked last year, as a matter of fact, or by the Honourable Member for Inkster this year, and I informed him at that time that the Rivers base is a federal responsibility. Our only concern at that time, through my office, was that we wanted to make sure the industries there remained and worked in Rivers, and any change that would be made would have to be made between the federal government. If there is a change made, the Minister of Municipal Affairs may not have had the correspondence yet, but there would have to be work done if it's privatized to become part of the municipalities of Manitoba. But the decision is with the federal government, Mr. Speaker.

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

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MR. SCHROEDER: Yes, in view of the fact that the Minister of Economic Development answered the last one, maybe I'll ask him a further question: Has his research group, which he referred to last Friday, now confirmed to him that the relative drop in retail sales in Manitoba between January and April, first of all, was not due to any drought and, secondly, was due to the protracted restraint program exercised, the acute protracted restraint program exercised by this government?

MR. JOHNSTON: I answered the question last Friday, Mr. Speaker. I told the honourable member that my Research Department did inform me, and I'm well aware that the figures that he was talking about took place between the first three months of the year when there wasn't any drought. I also told him that inflation and high interest rates were the main cause of people not buying as much. When the price of an article goes up, sometimes people feel they can't afford it, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, my question, to the Minister of Economic Development: Can the Minister of Economic Development advise as to whether he has received a report as to the reasons for the closure of Jordan Wines and the subsequent layoff, which is anticipated for October of this year, or some 18 to 20 employees?

MR. JOHNSTON: Mr. Speaker, I am in possession of a letter that was delivered by hand to my office on June 12, and a press release that was issued the same date, June 12, by Jordan St. Michael Cellars, the wine people in Selkirk. I have had my development officers working with them. We have the size, the plant area, the machinery, the process machinery all listed. The plant will be phased out starting October 15 and the complete phasing by Jordan's will be by January the 1st. The plant was built in 1975 and they started bottling in 1976, Mr. Speaker.

The second paragraph of the letter reads as follows: Your government, and especially the Liquor Control Board, have been most co-operative in the past and this makes our decision all the more difficult. However, we have carefully analyzed the situation over a year and regretfully conclude that our operations are unprofitable and thus the need to close the Selkirk winery.

I might also add, Mr. Speaker, they are closing their winery in Moose Jaw, as well.

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

The Honourable Acting Government House Leader.

HON. EDWARD MCGILL (Brandon West): Mr. Speaker, before presenting the motion for Supply, I can advise the House, Mr. Speaker, that it is the intention to meet in two Committees of Supply this afternoon, in Room 254 to consider Resolutions 122 and 123 on Page 91 of the estimates book, and in the Chamber to continue with the consideration of

the estimates of the Department of Economic Development and Tourism.

Mr. Speaker, I move, seconded by the Minister of Government Services, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for Economic Development and Tourism, and the Honourable Member for Virden in the Chair for Flood Control and Emergency Expenditures.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY — FLOOD CONTROL AND EMERGENCY EXPENDITURES

MR. CHAIRMAN, Morris McGregor (Virden): I call the committee to order. Page 91, Resolution 122, Flood Control and Emergency Expenditures. The Honourable Minister for an opening statement.

MR. ENNS: No, there are no opening statements, from me.

MR. CHAIRMAN: 1 — the Member for the Pas.

MR. McBRYDE: Mr. Chairperson, I think the Minister would like to give us a little bit more explanation of this item and some more detail on these funds.

MR. CHAIRMAN: The Honourable Minister.

MR. ENNS: Mr. Chairman, I want the record to show that an honourable member of the opposition asked for some comment, an introduction of this item, on this June 19th for the course of this Session.

Mr. Chairman, of course the flood seems like an awfully long time ago. We've been concerned and troubled with other matters since, of more recent vintage, but certainly the very severe flooding that the province experienced last spring required the kind of total effort that regrettably this province has over the years been able to gain all too much experience in, similar programs that again were required that were in place in other flood years. By that I mean the general emergency nature work of the different departments co-ordinated by Emergency Measures Organization. Citizens who were affected, whose property was affected by flood damage, were assured early on that a similar compensation program for repair work would be available to them, the only difference being that it was upgraded, Mr. Chairman. I will spare you the details, but in essence it was an upgrading of previous limits simply to take in account inflation factor costs of construction materials and/or workmanship. A limit that previously had been 7,500 was upped to 10,000 and so forth.

Mr. Chairman and members of the committee, the most notable change in the flood program that was introduced last spring, that was an innovation and that is still currently being carried out with a very high level of success, and that is the realization of

both the federal government and the provincial government that the continual repairing of the same property, the same houses, in some instances the third, the fourth and the fifth time around, just didn't make a great deal of sense.

Mr. Chairman, I wouldn't want to suggest that the fact that the federal election was in full swing at about the time the rampaging waters of the Red were also in full swing, but I can indicate to you that we had the relatively fast concurrence of the Prime Minister, the Honourable Pierre Elliot Trudeau, who was the Prime Minister at the time the flood waters were rising, and then indeed managed to carry on what was a promise in the back seat of a taxi, made to our First Minister on a short trip from here to the airport, by the then Prime Minister Trudeau, but that that commitment was kept by the incoming Prime Minister, that man who will long be remember by Canadians in the annals of history as having, within such a relatively short time, made such an indelible impression on the minds and on the lives of Canadians throughout the length and breadth of this country.

That is, Sir, referred to as the Flood Reduction Program. It is an 8 million program, which assists directly, under the supervision of the Manitoba Flood Disaster Assistance Board, the moving, the ring dyking, and/or the raising of buildings within the flood-prone area. Mr. Chairman, this program is a complicated one and it requires a great deal of co-operation on the part of the municipal authorities. Before any project is approved, there has to be an agreement by the municipality that they will stringently control the building permits in that area henceforth. The idea is, and that's why we call it the Flood Reduction Program, that we are prepared, in co-operation with the federal authorities, to expend substantial numbers of dollars, some 8 million it is estimated — and these are estimates — of public money, so that in the future floods, because we simply haven't resolved that flooding problem, we can expect future floods, that the physical damage to property will be substantially lessened; and indeed, one would hope, if floods are of the magnitude, or no greater than the magnitude that they were say in the 1950 or 1979 years, that while the inconvenience to people will of course remain, it has been proven that the damage to agricultural production is minimal, in fact, it can be argued that it's beneficial. But the costly, repetitive repair, refurbishing and renovation of the buildings in the Red River Valley will no longer have to take place.

That, Mr. Chairman, is perhaps the new program, the one new way that this government has, with the co-operation of the federal government, dealt with the matter.

Mr. Chairman, just before I leave it, I can anticipate the understandable questions that the people who live beyond the currently designated Red River Valley, which is a designated area for this flood reduction program, there are of course other persons that have experienced a similar degree of flooding and with some degree of repetition. The government is currently negotiating with the federal government. We have received indication at the officials level that the federal government would be favourably disposed to extending these areas, but the important matter right now is — and that's what's being

carried on under the guidance of the Manitoba Flood Assistance Board — the similar kind of recognition and support has to come from the local councils. That is, before we will provide flood protection for residents living, for instance, on the Whitemouth River or on the Ste. Rose River in the north that have experienced years of flooding, we need a commitment from that municipality, from the Local Government District, that they will not issue any building permits that are not in conformity with established water level heights by the water resources people. If those municipalities are prepared to take that kind of undertaking, it will certainly be my hope, my wish, that we will be able to extend the flood reduction program to these areas.

I have encouraged and the Flood Board has received, I'm told, some 160 applications of persons of the type that I've just described who, at the moment, do not qualify for the program. When I say they do not qualify, they do not qualify on two counts; that is that we don't have the federal governments approval to extend the program beyond the Red River Valley and nor have we received the kind of assurances from the municipal and local government level that they are prepared to co-operate and go along with the kind of building code restrictions that would have to be placed on them.

Mr. Chairman, I can indicate to the honourable members if asked certain additional questions as to the kind of number of applications received, some of the awards, the total amounts of awards that were received, I'm at the indulgence of the committee in my usual co-operative manner.

MR. McBRYDE: Mr. Chairperson, I thank the Minister for his summary, and I thank him for his story in regard to a well remembered short-lived Prime Minister of Canada, and Mr. Chairperson, I hope that the same fate and the same fond memory will apply to the present Premier of this province very shortly.

I think the Minister has given us this before but could he just refresh me in terms of the total expenditure, like this amount we have here for last year's flood control, I assume, is no where near the total, and if he could give us summary of the totals that had to be expended during the crisis situation last year.

MR. ENNS: Mr. Chairman, I don't have that material. Had my staff been up to snuff, of course, I would have had all that material. My understanding is that was in the order of 17 million. This material was available; I'm informed by staff that this money was flowed through the Department of Finance.

The specific area of responsibility on which I have some detail on are the activities of the Manitoba Flood Disaster Assistance Board, of which Mr. Elswood Boles is the Chairman, who have actually been involved in the repairing of buildings and the building of dikes. The overall costs incurred at the time, and that would be principally costs accrued to the provincial government and to municipal governments, cost-shared on the formula that I think members are familiar with. The first million dollars, I believe the province picks up the full cost; the 2 million to 3 million, the federal government clicks

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into 50 percent sharing; the 4 million mark, it moves up to 75 percent; and anything beyond the 5 million, it's a shareable item of 90 percent. It's a formula that has been in existence and has been used during the past decade. The only difference, as I mentioned in my opening remarks, is that the allowable levels of compensation were adjusted upwards, not dramatically but to compensate for increased building costs and labour costs of the damage that occurred.

But to answer the honourable member's question, we did not experience and I think to a large extent of course, you have to recall that our major communities, St. Adolphe, Morris, St. Jean Baptiste, Letellier, Emerson, were kept dry. The ring dikes held and so the damage was limited to those isolated communities, isolated farmsteads, outside of the ring dike areas and also that Herculean effort was made to move, in a very short period of time, a very substantial amount of grain that would have added to the cost considerably. In global terms, the flood costs to the senior governments, exclusive of this flood reduction program, was some 17 million.

MR. McBRIDE: Mr. Chairperson, specifically in regard to the assistance program, a number of citizens in, I think, specific areas, were led to believe by the Minister's statement that they would be qualifying for some type of program. My colleague, the Member for St. George, has raised this a number of times with the Minister and, unfortunately, he had some constituents in and he has to take them on to a government agency this afternoon.

I wonder if the Minister could give his side of that story again, until my colleague gets here to correct it.

MR. ENNS: Mr. Chairman, I believe that there is a genuine area of possible confusion here, inasmuch as that the compensation available to the citizen whose home was damaged or whose farmstead was damaged by flood waters was extended to those areas that were designed by an Order-in-Council, which included most of the flood-prone areas in the province of Manitoba. It included the area that the honourable member asked for on behalf of the Member for St. George. That is, that had that constituent of the Honourable Member for St. George or a constituent of the Honourable Member for Ste. Rose in the Ste. Rose du Lac area, or on the Boyne River, received property damage to his barn or to his home, it was available and he received assistance of up to 10,000 for structure, to repair that flood-damaged homesite or farmsite.

What he was not, however, and still is not, I regret to inform the members of the committee, eligible for, is the additional flood reduction program that offers him upwards to 10,000 to move from that flood-prone site, to raise his house to a level that water resources engineers say places him beyond the 100 year flood damage line and/or to build a ring dyke around it. That flood reduction program is, at the moment, still restricted to the Red River Valley. I have indicated to the honourable members, and I have indicated to the House, and I have indicated outside that the Manitoba government's position has been to extend that additional program of flood reduction to these other areas as well, but is not

available at this time to such constituents that the member refers to.

I believe the honourable member will agree with me that there is room, in the description of those two programs, the Flood Compensation Program, which merely puts the gyproc back on the walls that have been damaged or fixes up the siding of the first three or four feet of the barn or the building that has been subjected to water. That program was available to most Manitobans. There might have been isolated cases but I know that in cases along the Icelandic River, for instance, cases along the Ste. Rose du Lac rivers, the Boyne River, the Souris; we extended that program pretty well province-wide.

I believe our difference of opinion rose with the Honourable Member for St. George, with whom on occasion I have had a difference of opinion, is between these two programs.

MR. McBRIDE: Mr. Chairperson, the Minister indicated it was his hope and his intention that the second program — I think you would call it the alleviation program as opposed to the assistance program — that the second program would apply to other areas. Am I correct in assuming that the reason the Minister hasn't then extended that program is because of federal unwillingness to cost-share in that program or his colleagues' unwillingness to have the province expand that program?

MR. ENNS: Mr. Chairman, I don't believe it would be quite right or fair to indicate a lack of unwillingness on the part of the federal authorities to share this program. It is probably more appropriate to have the committee members understand that a considerable amount of work has to be done to extend this program to other regions. To begin with, the Water Resources people have to establish lines to which dikes are built, ring dikes are built, towards which levels, towards which units; housing units or grain pads have to be built to meet the criteria of a 100 year happenstance of flood.

The second one that I also mentioned, and I suspect that these discussions are currently underway in some of these municipalities, that there may be some reluctance on the part of the municipalities to subject themselves to that kind of provincial control, if you like, of building permits within their area of responsibility.

We, and I believe all members on all sides of the House will concur with this, that if public dollars are to be used in this way, then there has to be every effort made to make sure that it is being done in accordance with a program that will ensure success and not allow indiscriminant building to take place at lower levels and then five years, or three years or 10 years from now, if another flood occurs on the Icelandic River or on the Boyne River at a certain stage, to be faced with the kind of repetitive repair programs that this program is designed to prevent.

When all these things come together — that is, the work of the Water Resources people, the Department of Natural Resources . . . And we are asking, by the way, the local councils to indicate by resolution from the council, so that something is on file for this government and/or for future governments, that a council has agreed to this kind of a limitation, then

this government is prepared. I have received, and I reiterate, I have received indications from the federal officials and it's my understanding that the Minister of Finance did take occasion of a visit by the Honourable Mr. McEachen here in Winnipeg not so long ago to indicate to him that this was an area that Manitoba officials would be addressing Ottawa people about for assistance and extension of what we believe to be an eminently successful program in the Red River Valley.

For those of you who don't have the opportunity to travel through the Red River Valley, let me assure you that there is a very substantial transfiguration taking place in the Red River Valley that, should another flood occur, God willing not for another few years, but if it does occur in, say, four or five years, there will be very little property damage in the Red River Valley. The populated communities, those that I mentioned, are well protected under a proven diking system and what is happening now is that the isolated farmsites outside of the ring dike areas are, in a very substantial way, making applications for this program. I can indicate to you that at the moment we have some 5,126 applications that have been received. We are well on the way in all facets of the program; that is the actual raising of homes, in some cases the moving of homes. In the Ste. Jean Baptiste area, for instance, and a number of communities, the community had available building lots in the community and farmers chose to use their 10,000 grants available under this program — and they were within close proximity of the community — to move within the community of Ste. Jean.

I think from every point of view, socially and services-wise, it is a commendable change. The farmers continues to farm his land and we can begin to look at a future flood much as the Egyptians did some 3,000 or 4,000 years ago, as a benevolent happening. It refurbished the land with natural non-chemical fertilizer that will continue to make the Red River Valley one of the fertile spots of this planet, Earth.

MR. CHAIRMAN: The Member for The Pas.

MR. McBRYDE: Mr. Chairperson, then to get to this idyllic state outside the Red River where we can depend upon flooding to assist rather than hurt our livelihood and our way of life, I wonder if the Minister could indicate whether these figures here contemplate the expansion or the extension of that program outside the Red River Valley, the alleviation program, or whether the Minister would have to come forward for supplementary supply if he were to extend that to other areas?

MR. CHAIRMAN: The Honourable Minister.

MR. ENNS: Mr. Chairman, just while we are dealing with figures, allow me to correct one figure that I used when I indicated 17 million as being the global figure of flood costs last May. That is correct in the sense that that is the shareable figure that we use, shareable with Ottawa. The actual costs are substantially higher, possibly closer to the order of 26 million, 28 million, because we do not and cannot get sharing of our own permanent Civil Service staff, who during the course of that month put in a great

deal of work, very often on an around-the-clock, certainly around-the-week effort, and these kind of costs are not included in that figure. I think it does answer the question reasonably accurately in terms of what the actual bill is that we are sharing with Ottawa, 17 million.

The figure the honourable member asks for now is again — we have to, at best guesstimate, but the Chairman and the Board, of whom I have a great deal of confidence in, has not worked at this the first time around even though the gentleman has been at it for quite awhile, Mr. Elswood Bole and his committee, consisting of Monsieur Ayotte and Mr. Reimer. They have indicated to me that an additional 4 million to 4.5 million — that is additional to the 8 million program that we are now engaged in and have agreement from the federal government — would be required to extend the program to those areas from which we have received applications and where we, by experience, know trouble areas or flood prone areas exist.

MR. McBRYDE: Mr. Chairperson, for those other areas where the council has given approval, and I am assuming from the Minister's earlier comments that he is wanting the local government to do some other things if he agrees to apply the program to the area, he probably wants them to have restrictions on where you can build and heights at which you can build before the program would apply there. That is one reason they might be a little bit hesitant to go into the program, but if in fact there was a local government authority, a municipality or a local government district, or whatever type of authority it was, a rural municipality that was anxious, ready and willing to proceed, and there were a number of people that were within that area that were anxious, willing and ready to proceed, would the Minister then be able and willing to proceed or not?

MR. ENNS: Mr. Speaker, the honourable member is aware of how Cabinet and governments work. I can indicate to the honourable member that I have received approval in principle from my government to enter into negotiations with the federal government with respect to the expansion of this program to those areas that we are concerned about, as well as to instruct the members of the Flood Disaster Assistance Board to make contact with the local governments in these areas again that we are concerned about, to bring about the necessary conditions that would enable me to proceed.

Mr. Chairman, I have no hesitation to indicate that I think that the government of Manitoba has expressed its willingness to proceed. We believe, however, that if it was deemed to be fair and appropriate that some sharing of these costs were covered by the senior federal government in the case of the Red River Valley, where repetitive flooding has brought about this program, then surely that same formula or same criteria should be applied to a similar situation even though it involves obviously considerably less numbers of people, but nonetheless to the person that is getting flooded, maybe three out of the last ten years, his situation on an individual basis is as serious as anybody's in the Red River Valley. I simply feel and the position of

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the government is that it is deserving of federal support.

MR. McBRYDE: Mr. Chairperson, just to make sure I got this clear then, the Minister would have to go back to Cabinet for supplementary supply and he would attempt to negotiate with Ottawa if the program were expanded. Would his chances of getting the supplementary supply, more money from his colleagues, be increased, I guess, if he did have that federal support as well, or federal agreement to enter into the program?

MR. ENNS: Yes, Mr. Chairman, the member accurately describes the situation that now exists. The other pieces would have to be in place that would then enable the provincial government to proceed with the processing of the forms. Perhaps the best indicator of our intent, however, Mr. Chairman, to the Honourable Member for The Pas, is that I have instructed the Manitoba Flood Disaster Assistance Board to accept applications from these areas and to indicate to them by letter precisely where the matter stood. I don't know how well that is being communicated but, as a result of this, we have some 165 applications from these areas on file and one assumes that these are the kind of applications from people that are in a constant flood prone situation and that even while I can appreciate that their concerns are for more immediate action, I think the possibility that extension of some of these areas, and indeed approvals for some of the work being applied for might be possible, say, by early fall or the latter part of fall.

MR. McBRYDE: Mr. Chairperson, when you do have to go back to your Cabinet colleagues for supplementary supply, the chances of getting approval are much much less than if you have some funds somewhere in the system to cover the . . . so I hope that the Minister's optimism that they might be able to begin processing some of those things is warranted.

Another question for the Minister, Mr. Chairperson, relates to this program, to both the compensation program and the assistance program, and also I think the actual flood fighting, the immediate emergency fighting itself as it relates to Indian Reserves, like what is the existing method of dealing with reserves in both the emergency situation and later in the compensation situation, and what role does the province play in that; what role does the federal authority play in that; and what role does the local Band play in that; also, Mr. Chairperson, whether there has been any change in that program? I'm assuming that this wouldn't be one area that was touched but there have been some programs, like the Critical Home Repair Program that applied to reserves before, that were cut out by this government because they were reserves, and some other programs, as well. I'm just wondering, what is exactly the situation and whether there has been any change in that situation since the change in government.

MR. ENNS: Mr. Chairman, there has been no change from the past practice. The province, under emergency conditions, provides immediate

emergency assistance and relief in the transportation and in the looking after or the billeting of people, whether they are on reserves or not. We had of course two specific situations, one dealing with the Roseau Reserve and the other one I believe with the Peguis, and perhaps also the Fisher River Reserve, I'm not totally familiar, but thereafter the federal government does compensate the province 100 percent for reserve residents. Any status Indian or native people living off the reserves are treated as are all other Manitobans in the case of flood assistance and flood compensation.

MR. McBRYDE: Mr. Chairperson, I guess the Roseau Reserve would be the only one that lies within the area of the, not the assistance program but the alleviation program. Do they have their own alleviation program going on now with assistance from the federal government or are they involved in any way in the provincial program and you recover more costs from Ottawa, or are you aware how it is working right now?

MR. ENNS: Mr. Chairman, we have the Honourable Member for Emerson here, who probably is more aware of it than I am in terms of what is happening at the Roseau Indian Reserve.

MR. CHAIRMAN: The Member for Emerson.

MR. ALBERT DRIEDGER: Mr. Chairman, the reconstruction of the dikes along the villages and towns along the Red River is in progress right now and at the present time, this week, the reconstruction is taking place at the Roseau River Indian Reserve and it is my understanding that the program is the same as applies to the villages along the river. Am I right, Mr. Minister?

MR. ENNS: That's right.

MR. CHAIRMAN: The Member for The Pas.

MR. McBRYDE: I think it is probably my final question. I'm still curious about the cost recovery on that, as related to the reserve. Would that reconstruction of dikes . . .

MR. ENNS: On reserve work, emergency work and our costs are fully recoverable from the federal authorities.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: Thank you, Mr. Chairperson.

MR. CHAIRMAN: Right, I must be right on today.

MR. PARASIUK: This is a good day. It's a new day. A new day is dawning. —(Interjection) That's right, I was starting to get worried. I came in a bit late and I apologize for that and I just caught the tail end of the Minister's statement that they are trying to, in a sense, negotiate or get concurrence from municipalities, really as a quid pro quo for flood relief assistance, to have municipalities prevent people from building in flood prone areas, flood plain areas. I guess these areas are really demarcated by the provincial government because it's the provincial

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government that does demarcate which areas are flood prone. Is that a correct understanding, because I just came in at the tail end of the Minister's statement?

MR. ENNS: Yes, that's a correct general understanding except that perhaps in the question there's an assumption that isn't quite correct that the province, through the Water Resources Branch, has in all instances clearly drawn boundaries, demarcation lines of what constitutes a flood prone area. That certainly is the case, again through tragic experience of the Red River Valley, where it's been much mapped and much surveyed and Water Resource personnel can say if build to this level on this site, this provides you with that kind of protection. Some of that kind of spade work or ground work is being done right now by Water Resources people on some of the, I use the word "lesser", rivers and streams, but nonetheless that cause to lesser numbers of individuals the same kind of anguish and difficulties during the times of flood.

MR. PARASIUK: Was any of the money that was spent last year, say the 5.3 million or the 17 million, or part of the 26 million, spent to in a sense try and protect people on Turnbull Drive from floodwaters or, after the flood, to help them rehabilitate their houses?

MR. ENNS: The people on Turnbull Drive, as any other citizens in the province of Manitoba that experienced flood damage to their home, their property, were eligible to the normal grants, the maximum figure being 10,000, for the repair of their homes. The people on Turnbull Drive, being residents of the Red River Valley which is a designated area where the second program, the Flood Reduction Program, was put into effect, collectively decided to use their 10,000 which other residents throughout the Red River Valley are currently in the process of using for the raising of their homes, for the building of ring dikes around their individual homes, or indeed for the moving of their homes, such as I mentioned, farmsite homes from just outside the ring dike community of St. Jean Baptiste into the community itself. They collectively, and I understand some 23 home owners were involved in the Turnbull Drive area, showed a remarkable degree of unanimity I suppose. I understand there was an active citizens committee that promoted this, that could have applied on an individual basis to do several things. Had they chosen to, for instance, move out of Turnbull Drive, they could have applied that 10,000 towards the purchase of a home or lot elsewhere and then moved their homes out of Turnbull Drive. They chose instead, Mr. Chairman, to pool that money, which amounted to some 230,000, 23 x 10, towards the construction of the Turnbull Drive dike.

MR. PARASIUK: I perhaps shouldn't single out the residents of Turnbull Drive for the point I want to make, but I frankly think the residents of Turnbull were incredibly stubborn in the first place, and incredibly stupid in the first place; I think that the city of Winnipeg was incredibly stupid in not stopping them from building there; and I think the province —

I don't think it was this administration at the time — was incredibly shortsighted and stupid at the time in allowing them to build there. Everyone knew it was flood plane land. Sure, it was nice and scenic and provided for very nice, fancy houses being there that are very expensive. Many of them are architecturally designed homes; I think there's only one home designed and built on Turnbull Drive that really took into account the fact that people were telling them that it floods all the time, and that's one home that's built on stilts, that so far has not had flood waters go above the stilts. But everyone told them, and every spring, because people are compassionate, and because the public, ultimately is compassionate, they end up providing general assistance from taxpayers' resources to provide assistance. We always have this drama of Turnbull Drive every year, and that's one of the reasons why I singled them out.

It's rather frustrating when you find money limited in other areas, or even money limited under this particular program to other areas, to people who might be farmers living in that particular area, and we find that they can't get enough money to provide for the protection to their farms, and you have people going and trying to find a nice, choice location overlooking the river, close to the river, everyone knowing that it's a type of Russian Roulette that you're playing, it's going to hit you within five years or seven years or nine years or ten years, and over the course of the last five or six years. I think there must have been about three floods on Turnbull Drive, and there always is this great human drama and everyone charges down there and everyone feels sorry, and we have volunteers going down there and pitching in to help.

We have 230,000 being spent now which will do a lot to enhance those property values. Undoubtedly we must have spent at least 230,000 in the past, and I just think that possibly public authorities aren't being strong enough in dealing with people who are going to be building, or want to build on known flood plane areas.

I can appreciate that certain areas aren't demarcated, but for those areas that are demarcated, I don't think it's enough to say, well you're going in there on your own warning, there are lot of signs that are posted on many private places saying, you trespass at your own risk. Well, the public isn't like that. Someone who has trespassed will be helped at a time of crisis, and yet I think it's unfair to the general taxpayer and it's unfair to a lot of other people who possibly would want to build on flood plane, and they say, no, I'm not going to. And that's why I think you're not being strong enough with municipalities if you concur, we'll provide flood assistance, because if they don't concur, you're still going to provide flood assistance when the crunch is there.

I wouldn't want to say during the height of emergency of a flood, no, we won't do it, because four years ago you wouldn't sign this agreement, or you wouldn't pass this resolution, you wouldn't do those types of things, and you wouldn't prevent these people from building there. Of course, no one wants to do that, but I think at the same time, if you're not getting voluntary concurrence, and if you're still getting municipalities, letting people build on flood plane areas, because there are other flood

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plane areas as well, and we don't know, we have some idea of what the historical limits are, and I can appreciate — I think there was one flood where the waters stretched out to Transcona, so conceivably everyone shouldn't be living there, but people didn't know those things at that time. But now, I think we're getting much better at this, and we have a fairly good idea of what areas will flood. And it's not as if we have this tremendous scarcity of land in Manitoba where people can build. We have some scarcity of rather scenic land tying into the rivers, and maybe that should be public preserve. There's nothing wrong with it being public preserved, accessible to all. But of course, what those individuals want is that they want to, in a sense, privatize that river bank property. It's a natural desire on their part.

But I think it's somewhat irresponsible of public authorities at the municipal and provincial level to allow that to happen and to continue, because those people aren't completely — the people who move in there, aren't held accountable for their actions, everyone moves in to help them, and I think it's proper that they should. At the same time, I don't think we should be compounding our errors by taking a fairly passive laissez-faire approach in this particular matter, because I think this is one where there probably would be very strong consensus throughout the province, that areas that are subject to flooding, shouldn't be built upon. And I think the municipalities have enough power within what the province grants them as powers, and I think the province has enough power to prevent that from becoming a worse problem than it is right now.

I'm not saying we should move the houses out of Turnbull Drive, I guess the dike will probably be the solution, but it's just rather unfortunate that that situation developed in the first place, and I hate to see further ones develop.

MR. CHAIRMAN: 1.—pass; Resolved that there be granted to Her Majesty — the Member for Transcona.

MR. PARASIUK: I'm sorry, I wanted to raise a couple of other points on this. Maybe the Minister raised this in his introductory statement. Does the government expect to spend the entire 3 million budgeted this year, in this appropriation? I see 3 million.

MR. ENNS: Mr. Chairman, I'm advised that this 3 million is there as a guesstimate figure for flood and emergency expenditure use to cover the balance of the 1979 flood costs. I am further advised that that figure likely will have to be revised considerably upward as a result of the other emergency costs that we've incurred thus far in this summer. But the figure at the time the estimates were printed didn't perceive that. The answer to your question is yes, that was essentially the figure that was perceived necessary to cover off the balance of the 1979 flood costs.

MR. PARASIUK: That leads into my next question, in that everyone was talking about flood control when I walked into the room, but I wanted to ask whether in fact this refers as well to the opposite, namely the

drought that we are experiencing right now, and the fact that really this appropriation covers flood control and emergency expenditures which relate to natural disasters. I see firefighting as a natural disaster — I don't know if it's covered under this appropriation — and I see certain expenditures related to the drought that conceivably could be in agriculture or could be dealt with here, and I'm wondering if the Minister could elaborate on this.

MR. ENNS: Mr. Chairman, I'm advised that the Minister of Finance has already indicated at the time of his estimates, I assume I wasn't present, that in all likelihood he may well be tabling a second supplementary estimates to take into account the expenditures that the province has incurred as a result of extremely active fire fighting and other emergency drought control works.

The figures involved here, in essence, cover off some of the kind of ongoing standard expenditures of the Emergency Measures Organization usually related to flood costs, but obviously not always. I would have to ask the indulgence of the honourable member to ask that question more directly, perhaps, of the Minister of Finance. Very obviously, I think the kind of costs that have been incurred and/or the sharing of those costs which are currently under negotiation, in some cases, with the province of Ontario and, in other cases, with assistance being sought from the federal government, and obviously upwards to three or four departments involved in various drought programs, principally the Department of Agriculture and the Department of Natural Resources.

It would be my assumption that there will be an effort made to draw those funds, those emergency-type funds or expenditures that weren't contemplated at the time of the printing of the estimates, under the Minister of Finance by way of supplementary estimates.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: Just for my own personal clarification in terms of where this would fit into the estimates review, would this be the appropriation, however, that the supplementary estimates would be brought in under? Would they relate to this particular appropriation?

MR. ENNS: I'm being advised, Mr. Chairman, that while the Minister of Finance, in introducing an additional set of supplementary dollars or estimates, they in all likelihood would be appropriated to different departments. For instance, the costs directly involved with forest fire prevention would find their home in the Department of Natural Resources. Programs directly related and appropriately operated through the Department of Agriculture would be shown in the Department of Agriculture.

Mr. Chairman, the Honourable Member for Transcona knows me long enough and well enough that I'm not trying to be evasive in any way at this particular time.

MR. PARASIUK: I'm not even trying to attack the Minister or try and debate with him on it, I'm just trying to find out where this will sort of fit together

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and what authority is used. I can appreciate the uncertainty that exists right now in terms of even trying to speculate as to what type of assistance could be provided.

I do want to take this opportunity to put forward a suggestion that I think has been raised already but I think it's appropriate under this appropriation, to suggest that maybe there should be some emergency funds put aside to ensure that, especially, farmers will be able to draw from a fund to meet their mortgage payments. These are payments on their land that they may in fact be not able to keep up with because of the drought.

Now, some of them will have crop insurance, but I know that probably something in the order of 40 percent of the farmers don't have crop insurance. We may run into a situation where these people will be very hard pressed. We might be able to do something with respect to legislation but I don't know if anything like that has been drafted whereby, in a sense, the payments for this year, if it is declared that type of an emergency, will be tacked onto the end of the mortgage and paid off one year later, with the interest charges added to it. But there might be some way, in fact, of trying to forestall foreclosures that could in fact come about during the course of this year, especially if we continue to have these blue skies. So we can proceed by legislation, or we could proceed — we might have to do both — to set up a special fund, and it would strike me that this might be an appropriate place, we have got a board already in place, whereby people could apply to this board for short-term assistance to tide them through this particular year, in terms of making payments on their land and payments on their machinery. I would think that many farmers especially — yes, the farmers — are heavily capitalized and their debt payments must be pretty substantial.

I was just driving around last week and I could see some people who appeared to have disked under their first crop and they are taking another crack at it and some people are waiting for — I guess it's just about too late to wait, at present. I am looking over at Lloyd. This is probably the make or break week in terms of the late crops being put in. I think that this is one area where I think the government should be prepared to move, specifically to try and forestall foreclosures, because people may have been farming for quite some time, or even more recent farmers will be in debt over their ears. They are desperately struggling to try and survive and all you need is a few missed payments to put them under.

I think legislation or a special fund certainly warrants consideration and I hope the government takes that under advisement.

MR. ENNS: Mr. Chairman, allow me simply to acknowledge and to appreciate the comments made by the Member for Transcona. It indicates, I think, a responsible concern for what indeed by the end of this week, and possibly by the middle of next week, can indeed be a very serious situation. I know the honourable member also appreciates that members of the caucus of government are fully cognizant of that situation. I believe the First Minister, on occasion, has indicated a willingness or perhaps a necessity to do some of the things that the

Honourable Member for Transcona just now mentioned, some time ago. At that time, I think it was perhaps earlier on in the session or earlier on in the Budget Speech, at which time, you know, we're dealing in days and weeks and of course as the days go along without rain, it becomes shorter and shorter.

I think that there is certainly a real possibility and a daily growing probability that some heretofore kind of action that came belatedly by governments in the '30s, we surely should be prepared and should be expressing our willingness to belay anxiety on the part of a heavily capitalized farm operation or farm operator, that indeed certain things will simply not be allowed to happen.

I welcome the support of a senior member from the Opposition that he expressed just now, that should such action be taken by this government that we can look forward to support from the honourable members opposite when such measures, if need be, are introduced.

MR. CHAIRMAN: 1.—pass. Resolved that there be granted to Her Majesty a sum not exceeding 3 million for Flood Control and Emergency Expenditures—pass.

Resolution 123, 1.—pass — the Member for Transcona.

MR. PARASIUK: Can the Minister indicate — now that I think that the agreement has been signed, a settlement has been reached anyway — whether this will be the amount, or do we have any idea of what the exact amount would be? This is usually put in as an item but it's not usually the exact amount. The government should have an idea of what the exact amount of the salary increases will be.

MR. ENNS: Based on the 9.5 percent settlement for the year 1980-81, an early estimate of the additional requirements is some 20 million. This initial allocation of 7.5 million will be made by the Department of Finance upon receipt of detailed requests from the line departments and then with the balance to provide in January-February when net requirements can be determined more accurately. It is usually the period of time that we go through the exhaustive process of review of estimates.

The further figure, based on a 10.5 percent settlement for the year 1981-82, preliminary estimates call for additional costs in 1981-82 at some 25 million.

MR. PARASIUK: I guess this is not included in the supplementary estimates brought in by the Minister of Finance when he brought in his Budget; this will be, I assume, passed by Special Warrant next January or February. I assume that's the case, and that that will be really adding some 20 million to the already budgeted deficit of 140 million. I see one of his staff shaking his head and maybe I can just explore this.

I would assume, from what the Minister has said, that this would add 20 million or add a portion of that, probably something in the order of 10 million, to the deficit.

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MR. ENNS: Mr. Chairman, we are taking one year at a time. We are talking about this year, 1980-81, and the resolution we have under consideration is 7.5 million. Experience, and I'm told this ratio of figures presented in the estimates at this time is one of some considerable longstanding, that there is a considerable readjustment that takes place within the course of the year. For instance, to give you some indication of the situation a year ago, based on that 1979 settlement, the preliminary estimates of additional dollars to be required were some 15 million but when you were asking this question last year we were looking at, to paraphrase your question, at 15 million additional to the then overall budget. In effect, the net additional requirement to complete the year was some 2.5 million, which then totalled up with the 7.5 million that was allocated in 1979 printed estimates, 2.5 million was what the net request was with the final figures came in from the departments.

We estimate that it will be of the same order. Perhaps instead of 2 million or 5 million, it might be 4 million or 5 million. The settlement percentages are somewhat higher than they were in 1978-79 but, again, we won't know that until the Department of Finance is in receipt of the final detailed requests from the various line departments. But based on previous years' history and experience in dealing with this amount, the advice that I am receiving is that this 7.5 million will be augmented by some — and it's a guesstimate at this point — by between 4 million and 5 million.

MR. PARASIUK: Yes, that still will be an addition to the deficit, bringing it to something in the order of 145 million that we can, at this particular stage, foresee, excluding possibilities that may arise with respect to drought assistance and other things like that. So conceivably we could have a very significant, in a sense, budgeted deficit, which would be larger than the 140 million that has been formerly budgeted for, without taking into account any short falls that may develop in the revenue situation of the province because of the drop in retail sales, which I am quite certain has already taken place as farmers anticipate a very tight year this fall. We conceivably could be into a very, very large deficit situation next year. Of course, a lot of that will depend on the weather, but certainly at this stage it would appear to be somewhat greater than 145 million.

MR. CHAIRMAN: 1.—pass.

Resolved that there be granted to Her Majesty a sum not exceeding 7,500,000 for General Salary Increases—pass.

MR. ENNS: Thank you, gentlemen.

MR. CHAIRMAN: Committee rise.

SUPPLY — ECONOMIC DEVELOPMENT AND TOURISM

MR. CHAIRMAN, Abe Kovnats (Radisson): This committee will come to order. I would direct the honourable members' attention to Page 35 of the Main Estimates, Department of Economic Development and Tourism. Resolution No. 47, Clause

1. Item (d) Economic and Operations Research, (1) Salaries—pass; (2) Other Expenditures—pass; (d)—pass; (e) Manitoba Bureau of Statistics — the Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I think there were some questions that we intended to ask under Administration.

MR. CHAIRMAN: To the Honourable Member for Elmwood, on which item?

MR. DOERN: I'm just not clear. Has Administration been passed and we're now on Economic and Operations Branch? —(Interjection)— I am asking the Chairman.

MR. CHAIRMAN: Administration has been passed. We're on Item (d) Economic and Operations Research. That's (1), (2) and (d)—pass — the Honourable Member for Fort Rouge.

MRS. WESTBURY: Mr. Chairperson, in view of the fact that earlier this month the Minister stated that a complete computerized inventory of the manufacturing capability of Manitoba firms will be conducted and ready for use this fall. Can the Minister explain to us just exactly what this will consist of and the manner in which it will be able to serve the needs of the Manitoba firms that he expects to be served by it?

MR. JOHNSTON: Mr. Chairman, that particular program comes under the next item, Manitoba Bureau of Statistics.

MR. CHAIRMAN: (d)—pass.

Item (e) Manitoba Bureau of Statistics, (1) Salaries—pass — the Honourable Member for Fort Rouge.

MRS. WESTBURY: The same question, Mr. Chairperson.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Mr. Chairman, the inventory is basically called a sourcing program, which is taking inventory of all of the manufacturers in the province of Manitoba, and listing and computerizing all of the products that are manufactured in the province. This sourcing program is also expanded to the agreement — and I might possibly be answering the Member for Brandon's question, which I said came under the Manitoba Bureau of Statistics before — between the Ministers of Economic Development of the four western provinces to list and computerize all of the major resource developments that are being carried on in western Canada, and being planned for western Canada. It is our intention, when we have the catalogue of what is manufactured in the province of Manitoba, to make it available to those people in Western Canada that are planning or involved in resource projects so that they will know what Manitoba manufacturers are capable of producing.

We will also, Mr. Chairman, be in a position, as I said, to advise the Manitoba manufacturers of those projects, and we will also be in a position to advise

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the Manitoba manufacturers as to what products will be required and in what quantities and dollar volume. As I said, we have arranged the agreement and have had good co-operation from the other departments across western Canada in this. We have been co-operating with the other provinces as to some of the plans that may be going forward in the province of Manitoba, such as the potash and the CSP, the mining arrangement that has been made in the north, and then possibly what would be required as far as the transmission line is concerned to western Canada.

We feel that this particular sourcing program that we have undertaken will be of benefit to Manitoba manufacturers and the Ministers across western Canada have pretty said that if something rightly falls within the parameter of our manufacturers and they don't make it, they wouldn't show any favoritism other than their present purchasing programs but would certainly prefer that the materials, if possible, could be supplied throughout western Canada by western Canada manufacturers, if possible.

MR. CHAIRMAN: 1.—pass — the Honourable Member for Brandon East.

MR. EVANS: I didn't catch a couple of earlier statements of the Honourable Minister. Was he referring now to this reference on Page 13 of his address last April 30th reaching a basic strategic agreement with the other western provinces, and I thought he suggested we were going to discuss that under Business Development. At any rate, I gather that was his reference but I wasn't sure. Unfortunately, I was called to the phone for a long distance call and I missed the first introductory part of that statement.

MR. JOHNSTON: Mr. Chairman, I did say that the answer under the Manitoba Bureau of Statistics would be the answer the member was requesting last night when I said it was under another item. It is a business development, but it is the program and I can answer the question for the honourable member right now, and I have outlined the program is being carried out by the Manitoba Bureau of Statistics and, as I said, that is the agreement that the Western Economic Development Ministers came to when we were at the last meeting that was held in B.C.

MR. EVANS: Mr. Chairman, we are on the item of Economic and Operations Research and I am wondering whether the Minister has asked this particular branch or division to prepare something . . .

MR. CHAIRMAN: Order please. Just to correct the situation, we are on Item (e) Manitoba Bureau of Statistics. The honourable member made mention that we were on Item (d) Economic and Operations Research.

The Honourable Member for Elmwood.

MR. DOERN: Just on that point, my colleague, who is the chief spokesman, was making a phone call and I attempted to draw to your attention that — I thought at the time that we were on (d)(2) — we wanted to make some comments there, and it is my

understanding that wasn't passed. That item sort of started to roll, I agree, but I believe that it would only be fair to allow the member, who came just around that point into the Chamber, to make some remarks under Item (d) and then to go on to Item (e). I don't think it is going to unduly prolong this Committee in so doing.

MR. CHAIRMAN: To set the record straight, Item (d) has been passed, but I am a servant of this Committee and if it is by unanimous consent I think that we could go back to Item (d), but I think the regular procedure is that once we pass an item we go on to the next item. I think that we have got to have some sort of regulations as to how the Committee is regulated. If the Honourable Minister would agree, we can go back to Item (d) under these particular circumstances, but it is a little embarrassing; I try to follow the rules and now we are asked to change the rules.

The Honourable Minister.

MR. JOHNSTON: Mr. Chairman, I have no objection. I am quite prepared to answer any questions on my department, but I would request that we try to follow the rules, if we want to go back to Item (d). But I would recall that the Member for Fort Rouge got up and asked a question on Item (d) and I said that is properly done under the Manitoba Bureau of Statistics and I sat down, and we passed Item (d) and we got on to the Manitoba Bureau of Statistics. But if the member has a specific question, I have no objection of answering it.

MR. CHAIRMAN: Might I just say that Item (d) is passed; the Honourable Minister will answer any questions on Item (d), but rather than go back to an item that is already passed, we will just allow the questions.

The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Chairman. I don't have any great problem because I suppose we could almost ask some of these questions under some of the other items or back on the Minister's Salary; even the Bureau of Statistics here, it ties into this.

My question was related to actually an analysis of Manitoba's weaknesses and strengths, and perhaps the evolution or the involvement of an industrial development plan, examination of import replacement — now this has been talked of and has been done in the past perhaps more on a hit and miss basis, and possibly the Bureau of Statistics would be involved in this as well. My question relates to the possibility of carrying out some sort of a review of Manitoba's weaknesses and strengths and to evolve some type of industrial development strategy.

I recall back some years when the former Member for River Heights, Mr. Spivak, was the Minister of Industry and Commerce, the TED Report was produced, the Targets for Economic Development. While many people may have had criticisms of those targets and methods suggested to achieve them, nevertheless it did at least provide some basis, some objectives one might look toward, and indeed many of those targets were met, Mr. Chairman,

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interestingly enough. Some haven't been, but some have.

Then we had, under our administration, not in this particular department, but there was a preparation of guidelines for the 1970s. I am wondering whether there is any — if the Minister doesn't want to answer this now, we can do it under Salary perhaps, or under whatever is the appropriate item — whether there is some preparation of an industrial development plan, setting out outlines and so on. There was reference made to it in his speech, the same speech we were just talking about regarding the agreement with the other western provinces, but the delivery of the speech of April 30th, I understand, was to outline some elements of an approach and, in fact, at the very beginning makes reference to developing an effective strategy for economic growth, and reference is made to some policy changes and the like.

It is one thing to enumerate some policy changes and so on; it is another matter to outline a comprehensive plan, some statistics showing the targets and data showing where we have higher levels of productivity; where the greatest potential lies, and so on; what goods we are now importing to Manitoba that might be replaced by goods that may be manufactured in Manitoba, there is a possibility of being produced in Manitoba.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Mr. Chairman, the particular group that is referred to under Section (d) have not basically worked on a strategy program, their basic work is to provide information to the market development officers of industry studies for that particular group. They do studies such as contacting members of industry to identify the size and trends of market, the structure, the number of firms and particular businesses, competition and the constraints on an industry, supplies and shortages, etc. They also do research for people who want to possibly expand into a new market, and they do all kinds of that particular type of research for industry in the province. They get into very complex things when they do research on tariffs, transportation costs, and in some projects they get into very detailed generation of the basic data as well as analyses for commercial developments within the communities that is being worked on at all times.

They would probably have supplied some data for the research for the economic strategy. The economic strategy was announced last year as a matter of fact. It was presented in a very small basic form and it is still in the process of being set forth for the 1980s, but we identified the particular markets that the province should be working at or the industry in the province should be working at. Out of those six markets we developed, Mr. Chairman, five of them have shown a considerable increase in 1980 over 1979, and they showed a considerable increase in 1979 over 1980. This particular group spent — distribution of their time was working for the executive with research and analysis. It was 21 percent program development and technical services for industry, and 13 percent business development, which they have done for industry when they have been requested; market

development for industries and small enterprise development, and the timing and that was 21 percent of their time, 13 percent of their time, 18 percent, 12 percent, and 36 percent. They worked on 120 projects this year as a matter of fact, Mr. Chairman.

MR. EVANS: I take it that there is no preparation of some sort of comprehensive industrial strategy. By that I don't mean an outline of desires and intentions and so on, I mean something much more comprehensive and with a lot of statistics, a lot of data, where you try to more or less precisely quantify possibilities for expansion in industry sectors. I gather the answer is no, there isn't such a plan in process.

MR. JOHNSTON: The answer is not no, Mr. Chairman. I told the honourable gentleman that we had a strategy of the particular industries that we felt could be expanded in the province of Manitoba, and we also have the department working with people who want to try to expand their business. We also are looking towards import and replacements. Those particular subjects that the honourable member is bringing up are sort of an automatic ongoing process within the department. We very often have the occasion to contact companies and suggest to them that this might be a product that could be made here, because there is a market, but we have to do the marketing analysis and all of that type of thing before we can do that.

MR. EVANS: Looking at the Minister's speech, Page 5, on industrial strategy, I am quoting, "But we do know that throughout our manufacturing industries in Manitoba, including our key growth sectors and including the well-run and soundly-based enterprises in such other sectors as apparel, furniture, leisure products, plastic and mineral developments, Manitoba's growth overall, whether it is expressed in terms of growth to manufacturing employment, growth in investment, or growth in manufactured shipments, was significantly above the national average."

There is reference here to apparel, furniture, and leisure products, plastics and mineral products. It seems that these are identified as growth sectors, and my question is: What is the basis of identifying them as growth sectors? I know that it's reference to sales and so on, but it seems to me that furniture, for example, would not be a growth sector right now because there has been a diminution of household formation in Manitoba, and indeed in some other parts of Canada. It may be that there is an expansion of export markets for furniture. Maybe the Minister can enlighten us on that. But why would furniture be considered to be a growth sector, or identified as an area that has a lot of potential, and also leisure products? Mind you, that's a large category, it's a large classification, but surely there is one area of leisure products that is failing today in Manitoba, and that is campers, vans, motor homes and the like, and we have some discussion in the question period on the problem that Edson Industries is having in the Rivers Industrial base where they have laid off many, many people and, as the Minister has acknowledged, because of the lack

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of sales. I wonder why therefore, how you could consider that category as a possible growth sector.

Similarly, with apparel, purchase of clothing seems to me to have some relationship with the growth of your population and with growth of incomes. It seems to me, unless there is a great increase in export sales, that I can't see that that is necessarily a growth sector. It has been, the last couple of years, because of the quotas. Maybe the quotas on foreign imports are still having that effect of, in effect, protecting the apparel industry, or the garment industry. At any rate, my question then is, what is the bases? Can the Minister elaborate on the reasons for identifying these sectors to be among the key, to relate to the key growth sectors?

MR. JOHNSTON: Mr. Chairman, I would only say to the honourable member that I can give him the reasons for identifying those. It really should come under business development or small enterprise development at this discussion. If the member is going to be analyzing a speech I made on April 30th, rather than my estimates, maybe we should get all my speeches down. I have answered the question on (d) as to the work that this particular department does, and I am perfectly willing to discuss the reasons why we know that those industries are potential growth industries.

MR. EVANS: Perhaps we can discuss this later as well, but it seems to me that it's just not good enough to look at a couple of figures and then all of a sudden come to the conclusion that these are key growth sectors. I would have thought the Economics and Operations Research staff of the department could provide some solid basis, solid reasoning for identifying growth sectors.

At any rate, going on to the Bureau of Statistics, it seems to me that the Minister referred yesterday to this organization being available to all members of the public and he would invite members of the Legislature to utilize the services of the Bureau of Statistics, if I heard him properly. I'm wondering whether the Minister would consider making the, I think it's a quarterly, report of the Bureau of Statistics available to each member of the Legislature, as a service. I know there is a cost involved in producing these, but I think there is some advantage, as well, in making government documents, particularly key publications such as this one, which has a lot of basic information, making them available to the members of the Legislature, or at least those who are interested in that type of information. You can obtain it, I know, through the library and I suppose you can say, well you can pay a subscription fee and so on, that can be done I guess, but I'm wondering whether in this way, the Minister could have more use made of the bureau.

It seems to me that it's an agency, like the library, that could be utilized more fully by the members of the Legislature. There is a lot of information there for members on both sides of the House, Mr. Chairman. I know they have an excellent staff. They may have been reduced in size; I see the number of dollars for salaries has been reduced, so I take it there has been a cut in staffing of the bureau, but nevertheless it's there, it has a service to provide, and perhaps in

this way we could get more members utilizing the services of the bureau.

MR. JOHNSTON: Mr. Chairman, it can be made available to the honourable member. His caucus does receive a copy. I might say that the NDP caucus has been paying for it, but I will give the member a commitment that I will take a look into that. But the paid subscriptions to the Manitoba Statistical Review increased to 186 from 95, and the business subscriptions rose from 37 to 94 during the period of 1979-80. The Bureau of Statistics is a department of government, which happens to come under my Ministry, that is available and works for all departments of government while they are requesting information. The Bureau of Statistics, as you know, works sort of at arm's length so that they will not have any too much control as to the operation because the statistics have to be, not only accurate, but they have to be statistics that are not controlled by anybody. I would only say, and I said the member is welcome to contact the Bureau of Statistics to ask about specific figures, and I welcome it. I wouldn't expect that the Bureau of Statistics would be supplying any personal information about companies or things that shouldn't be presented, but I have no concern there because I think they work under specific regulations and they would adhere to them.

MR. EVANS: I wonder if the Minister could advise whether he sees this bureau as fulfilling a role of eliminating duplication in statistical services within the government. I think back, at the federal level, where the federal government — I guess this is back around the time of the first world war — decided that they would co-ordinate the collection, tabulation and dissemination of statistics in one agency and hopefully do it on a more economical basis this way, and in a way that it's more available to the general public. When this particular bureau was established, when the legislation was brought in, it was the hope, it was a long-run hope, a long-range objective that ultimately the bureau could provide for some centralized collection, tabulation and dissemination of information, and I don't know whether that has really come about.

In fact, it seems to me, the reverse has happened. We made one attempt, as I recall, to bring the credit union statistics into the Bureau of Statistics operation, as one step in that direction, and I believe that if data were tabulated by the bureau, it's a central agency, it's more accessible to the general public. They have certain expertise in statistics collection and it seemed to me that you went backwards when the credit union statistics were taken away from the bureau, and I stand to be corrected, but my understanding is that they were moved out of here back to the Department of Co-op Development and that, to me, is a reversal of the intention of having this particular organization, and it seems to me that we are going backwards.

If we want to save money in the collection of statistics and the tabulation of data, it seems to me it can be done by this centralization, through specialization. I think it's a well known principle that specialization can reduce costs and, Mr. Chairman, there are many departments that continue to collect statistics on their own and disseminate them

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separately, and I would submit, Mr. Chairman, that data is not as available to the public because it is diffused, because there are so many departments involved and people are just not as aware as they could be of that information being collected and available for the public use.

For example, the Department of Health has, I believe, it's not shown in the estimates, but I believe the Department of Health, if I had a phone book here, has a large research group which includes a fairly large statistics operation. Would it not make sense to look into the possibility of taking that operation and having that work done in the Bureau of Statistics? As the Minister said, the Bureau hasn't any axe to grind, or he inferred that. They have an arm's length operation, which is what was intended and which is what should be, and they would have no vested interest in these statistics but to produce reliable data and make it available for the public and for other government departments so that there be the widest use of the data. It seems to me that there is something wrong in government administration when a lot of money is spent on collecting data, tabulating it, and then not having it utilized, or to be utilized by a very, very small group.

When the government decided to take the credit union statistics out of this bureau and put it back in the Department of Co-op Development, I say the government was not showing prudent fiscal management. I say that we can, in the long run, have more information for lower costs and more usable information by centralization in the bureau, just as has occurred in the federal scene. Stats. Canada over the years, data that had been collected by different departments, External Trade Department or Industry — Trade and Commerce, or whatever it was called then — Trade and Commerce, Department of Labour, Department of Health and so on, all this data, all the statistics over the years has been centralized into what was called the Dominion Bureau of Statistics and what is now referred to as Statistics Canada.

But I submit, Mr. Chairman, because of that move, Canadians have more access to valuable information than they would have had otherwise; than they would have had it was disseminated throughout the departments. This way we know that there's a central source and I think Canada has something to be proud of. We have one of the finest statistical organizations in the country. It seems to me that the Minister would do well to look at the various departments; to have a study of the various departments and see what could usefully, sensibly and practically be brought into this operation, because I'm thinking of specialization in the area of collection, the area of compilation and a central area, a central point for dissemination of information.

I think you should look at the Department of Agriculture, for example, and see the statistics that they collect and make available. I think there are other departments, as well, that the Minister and his staff might want to look at, Education possibly, Departments of Mines. They put out statistics on oil production, oil wells in use, oil wells not in use. They put out other information on mineral production. Again, who knows where to get that information? If there was a central point, namely the Bureau of Statistics, then I think there'd be more use made of

that information, more reason to collect it. Why collect it if you don't use it? Similarly there may be data collected in the Department of Labour and Manpower. I know there's information collected by Municipal Affairs, and so on. There may be some reasons for not moving a particular statistical collection operation. On the other hand, I think it's deserving of inquiry by the Minister and his advisors and it's possible, as I said, that we may bring about an economy here; that we may bring about a reduction in the costs involved because I daresay if you went around the departments and tabulated the amount of money spent on collection of statistics in various ways, that it would come to a fair sum of money.

Another question I have of the Minister in this respect, is there a committee at least functioning of various departments, various representatives of the departments involved in statistical collection, at least helping to co-ordinate or making sure that there isn't duplication or overlapping? Is there at least a central co-ordinating committee involving the Bureau of Statistics and other statistical gathering groups as they are spread throughout the government administration?

MR. JOHNSTON: To answer the last question first, yes, there is a committee. The next meeting, I'm informed, is June 26th. It's called the Data Service Planning Committee and there's 34 people on it representing all different departments in the government.

The role of the Bureau of Statistics, Mr. Chairman, is a service agency providing and developing the data for all government departments. The analysis of the data is the responsibility of the individual department. The member says that there are people gathering statistics in all departments; that's very correct. We collect data in the Department of Economic Development under the Economic and Operations Branch, much of it supplied by the Department of the Manitoba Bureau of Statistics, which we analyse ourselves.

We have been very careful not to have duplication because of the committee, but if you were to set up a Manitoba Bureau of Statistics, as the member is suggesting, we would have a complete duplication probably of the federal system. The Manitoba Bureau of Statistics gathers statistics from many, many sources and supplies them to the departments. Under that, they've been doing an inventory of administrative records. They have indexes of statistical data that's available to all departments. They'll be doing surveys and advisory support for the Regulation Review Committee of the Executive Council. As we mentioned, we are doing a lot of work to look at the different regulations within the government to see if there are some that are overlapping or if there are some that we could cut down on.

But to mention the Co-op situation, it was turned back to them but the Manitoba Bureau of Statistics supplies them a lot of information on request and they do they analyze themselves and put it together as they see fit. We are very careful that we don't have too much duplication but we find, and it's fairly obvious, that the departments of government don't all require the same information and the

Bureau of Statistics supplies the information they require to them.

MR. EVANS: I think the Minister misses the point. I'm not talking about the analysis of the data. I'm not talking about that. Sure, every department will do its or should do its own analysis. I'm talking about specialization of statistical tabulation, statistical surveys, collection, tabulation of data, and there's no question that there are various parts of the government administration where this goes on and I'm saying it's a worthy exercise, in my view, to look at this and see whether there can be some saving for the taxpayer.

I think there is still no explanation as to why you turned the credit union survey back to the Department of Co-op Development. There is no adequate explanation for that. Of course the Department of Co-op Development can and should do their own analyses and so on. I'm talking about the gathering of the information, the tabulation of the information, and the dissemination of the information. I'm not suggesting that the Department of Co-operative Development hasn't got fine people that can do such work. I'm talking about trying to centralize that function, the gathering of statistics. I'm not suggesting for one moment that you duplicate what Statistics Canada does, no way. In fact, we should be in a position to have less duplication because of this organization. In fact, we have greater access to Stats. Canada data because of this organization, because under the legislation of the bureau there are secrecy provisions and, because of these secrecy provisions, the Stats. Canada organization can make confidential . . . available to the Bureau of Statistics that it couldn't make available otherwise. This is my understanding, and therefore we're able to get certain information and tabulate it in a way that may not be available to us otherwise.

I want to make this clear that I'm not suggesting that you build an empire and start collecting data that Stats. Canada is collecting, and I'm not suggesting you do things to duplicate what's being done elsewhere. I'm saying it maybe worthwhile to look at what's going on in the Department of Health and see whether that statistical tabulation, that statistical collection and tabulation exercise would be better brought over to the bureau and possibly use fewer people to do it. I'm thinking of economy. I'm thinking of trying to do as much with fewer hands and this is the story. This is the whole history of Stats. Canada. I am saying that this bureau has a lot of potential, if we want to fulfil it in a reasonable practical way. I wonder if the Minister would address himself to that question, whether he sees this bureau as helping to reduce the cost to the taxpayer by, in a meaningful way, gradually, meaningfully, bring about the centralization of statistical collection. Not analyses, simply collection and tabulation for public and departmental use.

MR. JOHNSTON: Mr. Chairman, that's what they do. There's nobody else in the government that does all the gathering of statistical tabulation and everything. We have a data servicing planning group that work with the Bureau of Statistics. The Bureau of Statistics are the people who gather all the

information and make it available to departments on request. We don't have anybody else doing it, unless we use Statistics Canada reports that are available to us and the member is quite right, we do have access to certain Statistics Canada reports that might not be available to departments but they are available to the Bureau of Statistics, and that's what the bureau does. The number of separate instances of data development, data processing, statisticals, consulting, and surveys on behalf of the departments, they received 115 requests last year from the different departments. They do gather the information.

MR. EVANS: Let's be specific then. Look at the Department of Health. Has the Minister of the Department looked at the Department of Health and observed what statistics are collected by that department?

MR. JOHNSTON: They have two representatives on the committee, Mr. Chairman. If the Minister of the Department of Health says to somebody in his research department, as I might say to mine, I would like data, I would like some information on the manufacturing statistics or something of that nature, the Minister of Health says the same thing to his department and they go about getting the information for the Minister. They go to the Manitoba Bureau of Statistics for a lot of their information. I really don't see how it can be done any differently, unless the Minister phones the Bureau of Statistics directly.

MR. EVANS: Mr. Chairman, I'm just looking at the listing in the Department of Health to see if I can see it; they may have changed the name. I think maybe the confusion comes about in our discussion with regard to collection of data on the one hand, and the analysis of the data on the other. I'm not talking about analyses of date, the use of the data, I'm talking about where you go out and gather original raw data. I'm not trying to take anything away from the Minister of Health, or his support staff; I'm sure he will continue to have his research people and so on. I'm not talking about that. I'm talking about the exercise of original collection of data, which could be done, hopefully, more economically, if it were done by a central organization, as occurs in the federal government. You don't have the Department of Health in Ottawa collecting data, as our Department of Health collects it, as I understand it. Now, I could be wrong, but my understanding is that in Ottawa, health statistics are collected by Stats Canada. In Manitoba, I'm not sure if all of the statistical information that is collected, maybe I'm wrong on this, but my understanding was that they do have a division here called the Health Information Systems Division. It seems to be a change in the category, but they did have an organization which had the name statistics in it, Research and Statistics, or something of that nature. At any rate, this is what I am talking about, the original data, the collection of the original data.

Likewise in Mining. Information is collected by the Mines Department, which is collected and made available, presumably, to the public. I'm not sure whether the public makes full use of it because, as I

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say, you have the statistics collected in all these various areas of the administration and there is not the same knowledge of this information as there might be if it was centralized.

So is the government, is the Minister prepared to take a hard look and make sure that there isn't any statistical collection activity going on around the departments that could be done more economically, more cheaply, for the Manitoba taxpayer, than is occurring at the present time?

MR. JOHNSTON: Again, Mr. Chairman, the Bureau of Statistics is the collector of data for the province of Manitoba and all of the departments use them. He mentions the Department of Health. Let's say, in Community Services, there is Operational Support Services that provides management and system consultation, data processing, statistical compilation and administration of space, etc., that is required by the Department of Health, or Community Services. Then there is the Vital Statistics Branch, that must be published, and it is cost-shared with Ottawa. That is a must.

Again, the Department of Mines and Energy, I am sure, contact the Manitoba Bureau of Statistics for information that they want gathered about mining, and then they take it and analyze it and publish mining statistics that they require from the Bureau of Statistics. That is done by the department.

I don't know how else to answer it, Mr. Chairman. I will take it as notice and try to get the honourable member a more specific answer, but I think that I have said that the Manitoba Bureau of Statistics is a collector of data for the province of Manitoba, to support the departments and government.

The Department of Community Services, not so much Health, is done by co-operation with the federal government. It's The Marriage Act, The Vital Statistics Act, The Change of Name Act, and The Child Welfare Act. Those things all have to be done by the Department of Health, or Community Services.

MR. EVANS: Maybe the Minister needs more time to think about this, but the fact is there are people engaged in statistical collection throughout the government. That's a fact. There are some that are called statisticians even. I say the Bureau of Statistics, I understand what its function is, and that's the point. The point is that it is not fulfilling its mandate, that's the point. The point is that it could be much more useful to the people of Manitoba than it is at the present time. It is being curtailed, I would submit, by the vested interest of people who collect statistics in the other departments, let's face it, the entrenchment of people in various departments. They don't want to give up their particular functions. They don't want to see staff being transferred out of their control. That's, I think, maybe some of the reality of it.

If you have at all been associated with the public service of whatever jurisdiction, you will know that's a problem with a lot of government organization, where people have vested interests and they don't want to give up. They don't want to give up their empires; they want to build their empire. They build their empire because there's some benefits that might accrue to that empire builder. I think that the

Bureau is now suffering because there are these vested interests throughout the government system that won't give up their statistical work; not their analysis, the analysis should be done in the department. Health problems should be analyzed by health economists; mineral development, mineral taxation matters, whatever, should be analyzed by people in the Department of Mines, the economists in the Department of Mines, economists in the Department of Finance. But surely the routine collection of data on oil production at the wells, if there is an ongoing routine survey, that could be done in a centralized way and made available to the whole public, to everybody, in the Bureau of Statistics.

What I am really suggesting to the Minister, that we have an area here, if we're talking about prudent management, we're talking about economy in government spending, we're talking about efficiency in organization and operation, I say there is a great potential here if he wants to seize it, if he wants to look into this matter seriously and see whether, indeed, you can bring about a greater economy by providing more responsibility to this Bureau.

I repeat, I am not saying it's an easy task or a simple task. There may be many instances where it is impractical to do that, and I'm not suggesting you try to do something that is not practical. I am saying it's deserving of an earnest effort, and probably at the Ministerial or Deputy Ministerial level, because if you do it further down the scale, it's possible that, as I say, the vested interests will never give up. It doesn't matter almost which party is in government; it doesn't matter, the same vested interests may be there, because I encountered it. I can tell the Minister, Mr. Chairman, that I encountered it when we were looking at — mind you, the Bureau was younger, and we at least moved in one direction; we brought the Credit Union figures into the Bureau, because it's a routine job. You make out the forms, you have the forms, you consult with the credit unions in Manitoba. You make up the forms, you send the forms out, I guess some quarterly, some annually, to the credit unions of Manitoba. You have them filled in, they come back, you tabulate them, and possibly put them on a computer tape. You run off your tabulations, you put it in a report and you make it available to everybody, including the Department of Co-operative Development, including other areas of the government, including the people of Manitoba, and there it is for everyone to see.

What has happened instead, we are going backwards. That report has now gone back to the Department of Co-operative Development. So what was the beginning of some sort of hopefully useful, efficient centralization has ceased, and we have gone the opposite direction.

Is the Minister prepared to take a look at that and bring the credit union survey back into the Bureau of Statistics?

MR. JOHNSTON: Mr. Chairman, if we were to publish a report on the production of oil wells in Virden, Manitoba, we would be duplicating Statistics Canada. If we were to publish reports on mining from our Manitoba Bureau of Statistics, we would be duplicating Statistics Canada. The Manitoba Bureau of Statistics gathers information. The analysis, as I

said, is done in the departments, but in order to do the analyses, they must go to a gathering place of information within the province, which is the Manitoba Bureau of Statistics; they use Statistics Canada, and if it is not available there, they will go out and look for detailed information. If they are asked from my department for market advice, they will go out and find a way to get that raw material as best they can. That's the Bureau of Statistics' job. But as far as what the honourable member is saying, he is talking about duplication in a very large manner, when he starts asking about us producing the production of mines and oil wells and manufacturing statistics, which are all available in the Canadian Bureau of Statistics; I have seen the reports myself, and they are all very clearly listed.

The Manitoba Bureau of Statistics is a gathering information point for the Manitoba government departments at the present time.

MR. EVANS: I repeat, I am not suggesting for one minute that you collect, through this Bureau, data that is already available from Stats Canada. I wish I had a copy with me, but the Department of Mines of Manitoba puts out a monthly statistical report, okay. They put out a report; I wish I could get a copy. Maybe the Minister's staff could get him a copy and look at it. I believe they gather that information themselves. I may be wrong, but I am saying to the Minister, look at that. Is that what's happening? Have you got a group in the Department of Mines that is engaged in a statistical survey and publishing — I don't think they repeat — now, they may be just taking Stats Canada information, and wasting the taxpayers' money, because if that's all they are doing, Mr. Chairman, I say it is incumbent upon this Minister to take a look and talk to his colleague, the Minister of Mines. If that's all the Department of Mines is doing, is duplicating what is already published by Stats Canada, line by line, then I say there is something wrong in that department. But I had the impression, because they put out their own report, that they truly did gather that information, that the Department of Mines did engage in a statistical survey. I'm not knocking that; I'm not criticizing them for that. I am using that as an example.

I think it is a worthwhile exercise for the Minister and his department to look into the matter of whether you could take that survey that the Department of Mines does, if indeed they do the survey — now, maybe you're right, maybe they're just duplicating Stats Canada, and that would be a terrific waste of money — but if they do their survey, that monthly survey that's available on wells that are capped, wells that are in operation and various other kinds of information, then I say, why can't it be done by the Bureau of Statistics. I use that as just one example, but there are other examples. If I had time, I could probably go out and get the reports that are put out, statistical reports that are put out by different departments.

For a government that is always talking about economy, saving the taxpayers' money, I say there must be a lot of waste right now in government services in this area of statistics. There is a lot of waste. If the Minister continues to repeat the purpose of the Bureau, it is not ready to look into

this and to see whether we can save the taxpayers some money, I say, don't talk to me about fiscal management and prudence and being concerned about the taxpayer. I say, if the Department of Mines is merely regurgitating the Statistics Canada reports, then there is waste right there, but if they are not duplicating Statistics Canada, if they are engaged in their own statistical surveys, does it make sense — maybe it doesn't — but does it not make sense to have that done in a central agency?

MR. JOHNSTON: The Department of Mines, I am told, does not do any surveys on their own. They contact and work with the Manitoba Bureau of Statistics. They use the Canadian Bureau of Statistics; they use the program data and they use the information that must be provided by companies to the governments for all of the data that they would put out. I can say to the honourable member that the information required on mines is better to come from the Mines Department because they know what is required. The member is getting quite upset about the fact that the different departments have their own sources of finding some information about the departments that they are responsible for. The Health Department would need information on hospitals and all of those type of things. The Bureau is there to assist them, but it's also program development requirements that they need information for within their own departments.

I don't agree with the member that there is money being wasted. If the member wants to suggest that, the Manitoba Bureau of Statistics used to produce a report that was nothing more than a copy of the Canadian Bureau of Statistics that was produced. I think we have very efficiently put the statistics requirements for the Manitoba government in a very economical process, Mr. Chairman, and because there are 32 people from all the different departments who sit on the advisory planning of the Manitoba Bureau of Statistics.

MR. EVANS: Mr. Chairman, I said that the Department of Mines was wasting money if they did what the Minister said a minute ago that was happening. And he said all the mining statistics available comes from Stats. Canada, and I said, if that's all they're doing is regurgitating Stats. Canada reports monthly, then they are wasting dollars. I didn't say they are wasting money if they are going out and collecting it originally. What I am suggesting is that if they do go out and collect it originally, collect the raw data, isn't there a possibility of having some economy, some greater efficiency by having it centralized?

What we're talking about really is the very basic approach to statistics gathering, the argument as to whether it should be done in the department or whether it should be done in a centralized fashion. That debate, I guess, went on at the federal level many years ago, because around the First World War the department known as Statistics Canada was set up and over the decades the statistics that were tabulated and collected by the various departments, including administrative statistics such as imports into Canada and exports out of Canada, those are administrative statistics. You could argue that the Department of Trade and Commerce, as it used to

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be called in Ottawa, had to have all that data themselves. They should collect it and they should have it, and so on. And you can do it that way; I'm simply saying that that decision was made in Ottawa to centralize it.

So you don't get trade statistics in the Department of Industry, Trade and Commerce. If you want Health statistics, you don't go to the federal Department of Health; if you want agriculture production statistics, you don't go to the Department of Agriculture in Ottawa, you get them from Statistics Canada. If you want information about mining developments and mineral production, you don't go to the Department of Mines in Ottawa, you go to Statistics Canada. And you can go all the way down the list, over ever single department. I would say 99.99 percent of the statistics, the basic statistics of this country, are gathered in that statistical agency.

I'm saying that the intention of this legislation was to centralize this function in the province of Manitoba so we could have some economy, so we could have some efficiency. If the Minister is not prepared to do anything about moving in the direction of achieving this objective, they might as well wipe out the Bureau of Statistics, because you are wasting the taxpayers' money. If all you are doing is regurgitating a few statistics and doing the odd survey and doing a bit of service, then you're not fulfilling the objective of the legislation. I think the Minister should be far more serious about this and really dig into this, because I do submit, and I wish I had that report from the Department of Mines. I'm not so sure that what the Minister says is true, that all they're doing is taking Stats. Canada data. I'm sure that they're out there collecting their own data, as the Department of Co-Operative Development is now back in the business of collecting.

I say, Mr. Chairman, either fulfill the aims and purposes of the legislation or call it quits. Get rid of it. Let's look at the taxpayer's expenditure in this area of statistics collection, because I am sure it's not this bureau alone. You tabulate all of the money that's spent, department by department, agency by agency, and you'll see there's a lot of money being spent on data gathering. I'm not saying that data isn't useful or necessary, I'm saying, let's do it in a more efficient manner. And let's fulfill the objectives of this legislation.

MR. CHAIRMAN: (1)—pass; (2)—pass; (e)—pass. (f) Manitoba Horse Racing Commission, (1) Grant Assistance—pass — the Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I wanted to discuss this section with the Minister. I want to, first of all, read a few figures about the importance of the industry which comes from a very detailed brief entitled *The Solution to the Economic Crisis of the Manitoba Horse Racing Industry*, which was a joint submission to the Manitoba government by Assiniboia Downs, the Manitoba Division of the Horsemen's Benevolent and Protective Association, and the Manitoba Division of the Canadian Thoroughbred Horse Society, dated January 7th. It's full of facts and figures. But first of all, just in context, I wanted to recall that in 1979 attendance at Assiniboia Downs was some 581,000, and they point

out that only the Winnipeg Jets, who attracted 462,000 customers, can rival the Downs' patronage, and that they also, according to this, easily outdraw the Winnipeg Blue Bombers, whose attendance was 260,000 in 1978.

They provide a lot of interesting statistics about consumers spent over 10 million in pursuing their interests in racing in the past year, and that Assiniboia Downs has a payroll of 950,000. They employed 477 people in 1978 and a total of another 487 people on the back stretches: Trainers, grooms, riders and farriers. I was just being enlightened by my colleagues about farriers, I wasn't too sure what they were, but I'm told they are the people who put the shoes on the horses, even though they don't spell it right in this brief. — (Interjection)— A falconer is like a farrier? Oh, I see. The Member for Fort Rouge thought I was talking about falconers; I am talking about farriers who put shoes on horses. Falconers also put shoes on falcons, but that's another kettle of birds.

Mr. Chairman, they also mention that the racing stock consumed about a million in agricultural inputs from rural Manitoba, and generated another half million in off-season boarding and in tourism, of course; this is, to me, one of the most significant aspects of the racing industry, the fact that some 73,000 tourists attended the races at Assiniboia Downs in 1979, and then they tried to do some calculations which I think are a little on the light side, that if 47,000 of these tourists stayed an average of 8.5 days and they tried to work it out at 18.50 a day, as an average for motel users, well, I don't know if you can still get a room for 18.50 a day but that strikes me as rather cheap, especially in consideration of downtown Winnipeg hotels — (Interjection)— Well, some probably did; they probably stayed up all night.

—(Interjection)— I see. But at any rate, they calculate that this probably provided an additional 8 million in tourist spending, and finally, in terms of this page, that there were taxes of some 2.68 million netted by the province from the pari mutuel tax and that amusement business and real estate taxes paid to the city of Winnipeg amounted to 273,000.00.

One final point, Mr. Chairman is that there is quite an investment in the industry: Racing stock estimated at 6 million; breeding stock of 3.9 million; other assets employed in breeding of 11.9 and some additional estimated 24 million in assets. So they calculate this is a 46 million asset owned by Manitobans, in addition to the value of Assiniboia Downs.

Mr. Chairman, I contend that the Minister either deliberately by commission or by omission, one or the other, he either did it deliberately or he did it by failing to do anything, endangered the racing season this year. There was certainly some concern among people in Manitoba, particularly in the racing industry and particularly those who are in the tourist industry, the hotel owners and motel owners, night club owners, restaurant owners, etc., etc., etc., that there was a state of jeopardy in terms of the racing industry. At one point it looked like there wouldn't be racing at all. There was certainly a deadlock and it was over revenue sharing. —(Interjection)— Pardon? Old news. Well, maybe it's old news, but I have to remind you that what we are discussing here is the

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performance of the Minister and we're talking about racing, and we're talking about the fact that the Minister is ultimately responsible.

I'm glad to see that my old friend from Virden — I shouldn't say old friend, I'll say friend; my friend who's getting old, getting gray hairs — thinking about indemnities and racing and other things that are plaguing him, but nevertheless, with the wisdom of Solomon, one who sits like yourself, Mr. Chairman, and judges and draws members to order, he certainly is one of the keenest observers of the racing scene. I don't know of anyone in the Chamber who knows more than he does on this item.

But it seemed, Mr. Chairman, that the Minister at one point was ultimately prepared to throw away 2.6 million in revenue, and this is what I wanted to talk to him about and I wanted him to make some observation on, to ask him a series of questions, for example, if he could tell us something about the study. His response to a crisis was a study, which is sort of a knee-jerk reaction of the government to problems.

Don't tell me the Minister of Government Services is through already. Did he put that through already? —(Interjection)— He whizzed it through and now he's back. I'm sure the Minister of Government Services knows something about horses too; I don't know if he has any horses but he certainly has cattle. He might ride around on some of those four-legged animals on his farm someday.

One question is about this very iffy grant. I'd like to ask the Minister about that first. The province approved a 163,000 grant to Manitoba Horsemen, which must be paid back if they have a good season. However, it says, the province — I am now looking at a newspaper article of May 1st in the Trib — "However, the province was prepared to provide assistance to help the HBPA pay a 163,000 debt to the Assiniboia Downs." Then again, If the horsemen have a good season and are able to cover the debt with less government assistance, then the government will be repaid."

It seems like it really not a grant to the horsemen, it is really a direct grant to Assiniboia Downs. I want to ask the Minister whether he thinks there is a hope in the other place whether that money will ever be returned? Does he actually hold out any hope, or is he just kissing that money goodbye?

MR. JOHNSTON: It looks very good at the present time, Mr. Chairman. The betting at the Downs is up about 27 percent to 30 percent in 1980 versus 1979. Pardon me, it is up — the percentage change of betting to this date, wagering in 1979 to 1980, the first 28 days, is up 12 percent, so it is a good possibility that the government would recover some of the 163,000.00.

The honourable member is referring to a report, the same one I have in my hand, I believe. This is a report on the racing industry by the different groups. He suggested the horsemen are asking for an increase of one percent, Mr. Chairman. The province returns 1.75 to the purses at Assiniboia Downs and the horsemen were asking for 2.75. That may sound like a one percent increase, but that is a considerable amount of money, that is about 450,000, Mr. Chairman.

What we did, first of all, we said to the horsemen that we would guarantee the handle that was taken in in 1979 — I lost that page — which was 47,750,000, and that was on a 131-day race meet. The race meet was set at 121 days and we said that we would guarantee the same handle of 835,000 on the less racing days. That did not satisfy the horsemen, Mr. Chairman.

We were giving a small increase. We did inform them that that was what we would be doing. We did look to some help for the breeders, and we did arrange some increase for the standard bred breeders and the standard bred purses of 10 percent. Now, Mr. Chairman, the horsemen of the thoroughbreds were not satisfied, and we weren't about to move the percentage of return to the track back — I might say here that the province takes 7.5 of the betting, the federal government takes 9.5, the balance is to purses and payouts, etc., at the pari-mutuels; the pari-mutuels is controlled by the federal government, Sir. What had happened during the meet last year, because of the rainy season, the floods, and everything of that nature, the horsemen ended up being paid 163,000 more in purses than was agreed upon between the horsemen and the track. The government has no negotiations in that respect with the track. The track gives back 4.5 points or 4.5 percent to the horsemen in purses, and the government puts in 1.75. Then halfway through the season in 1979, they wanted to re-negotiate it, and the horsemen disagreed with the track, that it shouldn't be re-negotiated, because the track wanted to negotiate it down, because of the season not going as well last year. They said, well, maybe the weather will clear up, maybe we will have enough racing days that we won't owe you any money. It ended up that they owed the track 163,000, Mr. Chairman.

We then negotiated with them and we came to an agreement with, not the track, with the horsemen, that we would pay the 163,000 to them and they would pay the track. But if the betting — and that brought the amount of money required to pay the horsemen up to around 1 million — and if the betting goes well this year, and they don't owe the track anything, in fact if the agreement with the track is such and the betting goes well, the track may owe the horsemen more this year than was negotiated. I believe it was the same as last year, the negotiations.

Also the horsemen, I believe, which has been their own affair, did negotiate on some of the breakage at the track. The honourable member probably doesn't know what breakage is, but that is when the betting is paid out of it; they don't pay out in 2.41, it is always 2.40 or 2.45, so that there is a certain amount of breakage at the track, which the track offered to negotiate an arrangement with the horsemen. We came to an arrangement with the horsemen based on the betting that would take place this year, and we said also that we would pay up to .5 percent more, 2 percent return, based on the betting that went on this year, so possibly we will not have to pay out any more money, but we certainly had to make arrangements for it in the estimates.

Then the horsemen have been asking, and the track have been asking, and the standard bred have been asking for a long time, to have an independent study of the racing business in the

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province of Manitoba. We agreed to do that, and we sent out proposals to eleven different companies. It is also agreed that there is a steering committee of people that are directing the study by the consultant, and a company by the name of Pannell Kerr Forster were the successful bidders, who are at 1600-155 Carlton Street. They at the present time are starting to give a study of our horseracing industry in the province of Manitoba, will make recommendations of what the breeders, the horsemen, in both standard bred and the thoroughbred racing. When that study comes in in August, Mr. Chairman, we will be sitting down and hopefully looking at our horseracing legislation; we will be making recommendations as to what should be done, the structure of the Commission and everything about the horseracing industry in the province of Manitoba, because we have the western circuit of standard bred and we have indication that other people are interested in a track in Manitoba.

All of those things are being looked at the study. The horsemen are very happy at the present time, racing is going on. I have had several discussions with the people at the Downs; they were very satisfied with the negotiations that went on; we came to an agreement, and racing is on at the Downs, or in the province of Manitoba generally, with both types of racing. It looks like they are having a good season.

Mr. Chairman, we think that we are on the right track as far as settling the problems that have been occurring every year between the racing fraternity and the province, and even in some cases the federal government. We sincerely hope that we will have it solved when we receive the consultant's report.

MR. DOERN: Mr. Chairman, I would like to ask the Minister more about the consultants. It sounds like a new firm; I've never heard of them. I wonder if the Minister might indicate their qualifications, and secondly, their qualifications in regard to racing, whether they have any knowledge or experience.

I would also like him to indicate the cost of this study. I assume we are talking about a fair amount of money — that this study is going to go on; it was commissioned back in April, it was said in May that the consultants would be named and it would be completed in August, so we are talking about, I guess, three or more months, and consultants can be expensive. Can the Minister indicate who these people are, why they were selected, and how much they will cost?

MR. JOHNSTON: They were selected, Mr. Chairman, because the committee of the government people, the Assistant Deputy Minister of Tourism, the Associate Deputy of Economic Development, a member of the Department of Agriculture, and a member of the federal government, and Mr. Greenberg from the Horsemen's Association. The proposals came in from Woods Gordon, Pannell Kerr and Forster, who were successful — pardon me, this is who the proposals went out to — Stevenson & Kellogg; Burch Findlay McFarlane; Touche Ross; Peat Marwick Mitchell; Price Waterhouse Associates, Thorne Riddell Associates; Westburn Development Consultants; Haskins & Sells Associates;

Hildebrandt-Young & Associates. The successful bidder was the Pannell Kerr Forster group, who came in at 53,350 to give the report.

I will have very shortly, Mr. Chairman, or tonight, the proposal when I assure the honourable member the experience that the people have had in the horseracing business are such that it satisfied that panel, even somebody from the Horsemen's Association, and the federal government, and the Department of Agriculture, as to the qualifications of the people that will be doing the study. I will have that shortly or tonight, Mr. Chairman.

MR. DOERN: Mr. Chairman, I would ask the Minister to repeat the cost of the study, I am not sure I heard it correctly?

MR. JOHNSTON: 53,350 and it is being cost-shared with the federal government, Mr. Chairman.

MR. DOERN: I would then ask the Minister if he could make some comment about the rate structure because the key to the settling of the dispute was the decision by the Minister and by the government to study the rate structure and possibly make retroactive payments. It is my understanding that without that clause and without that assurance the dispute would have not been settled. So although the Minister might be indicating on one hand that he is prepared to allow so much money to be returned to the industry, that amount could be significantly greater. For instance, he said on May 1st that there will be no direct increase in the government's contribution of its share of the pari-mutuel betting, and then he mentions that a one percent increase, which was requested by the horsemen would have cost the government about 470,000.00. So the sort of early suggestion is that he is holding at some 835,000.00. That's a sort of first suggestion, that they are going to receive from the government some 835,000, approximately. The horsemen wanted another 470,000, almost 50 percent more, and he turned that down, but he left a loophole by saying that they might make a retroactive adjustment once the report is completed.

So I want to ask him about that. Is it possible that he may, in the last analysis, put in an additional 470,000, which he refused to do in the first instance?

MR. JOHNSTON: It depends on the wagering, Mr. Chairman. They could possibly — I don't know that they would have an increase of that much — but they could possibly have an increase of a considerable amount if the wagering goes up. The gross 1980, the Cabinet approval, was (a) if the wagering was the same as last year, the pari-mutuel tax revenue would be 3,000,525; thoroughbred support would be 999,200; breeder support would be 117,000, and they would receive 1,116,000.00.

If the proposal minimum in 1980, it would be, again, 3,000,525, and the proposal maximum on the wagering that went on last year, with the agreement of up to 1/2 percent, depending on what the report says, would be 1,002,292.00. So there is a possibility that we may have to pay out some money if the wagering remains — about approximately 200,000 — if the wagering remains the same as it did last year. If the wagering goes up, as to 50 million or to

54 million, or whatever, naturally the horsemen will be making more money and we will not have to pay out as much money. So that's basically the arrangement we have with the horsemen for this year.

MR. DOERN: Mr. Chairman, I want to go back to the original comment I made and ask the Minister why he appeared to be unprepared, or his representatives appeared to be unable — not unable — unavailable and unwilling to meet with the horsemen at the time that this crisis generated back in, well, at least in January, and went right up until April and probably was resolved by the end of the month? My information is that there were no formal meetings held from the time of the original brief presentation in January up until April, that he or his representatives were unavailable and unwilling to meet with the horsemen, and finally, at the eleventh hour, there was a meeting slated for the weekend, which was the one, I guess, that resolved some of these things temporarily. They were notified that there would be a meeting held on the weekend at 4:00 o'clock on Friday, which hardly seems like sufficient notice.

So I say to the Minister, it appears that he was not receptive or responsive to the plight of the industry and that he or his representatives, because of this fact, almost endangered the entire racing season, the tourist attraction, and some 2.8 million in revenue. I ask him why it was so difficult for the people who are so heavily involved in the industry to be able to get a meeting so that they could attempt to hammer out some of these solutions?

MR. JOHNSTON: The member's information is not correct, Mr. Chairman. The horsemen asked for a 1 percent increase, from 1.75 to 2.75, on the handle that was bet in 1979. That makes a very large increase from 1.75 to 2.75, and we did not feel that we wanted to increase to 2.75 until we had a study from the industry. One percent, as I said, Mr. Chairman, does not sound like a lot of money, but it's 1 percent of 47 million. It's a 470,000 increase. Mr. Chairman, I wasn't about to make that — or the government was not about to make that large an increase. We wanted to have the study so that we could look at the legislation and possibly we could have the amounts paid to everybody written right in the legislation and we won't have to have this coming back every year. A Private Member's bill could possibly change it, if you want to.

But we weren't about to move up to 2.75. It's no different than really any other negotiations, Mr. Chairman. The horsemen requested that we negotiate it. At the eleventh hour they said, can you have people available? I was phoned and asked, "Can you have people available?" I said yes, we will have people available, and the negotiations went on all of Saturday and Sunday and the problem was solved. It was solved to everybody's satisfaction and I don't know what more we can say, Mr. Chairman.

MR. DOERN: Mr. Chairman, the last point I want to raise is one of the most controversial. It has been suggested by some horsemen that they are caught continually in this inflationary squeeze, like I guess a lot of other businessmen. They mentioned to the

government in the brief that since 1974, the cost of owning a horse has risen 90 percent and that purses have increased only 62.3 percent. So some of these people suggest that the solution to their problem is off-track betting. That is, I think, an interesting proposal. I am not putting it forward, I am simply asking the Minister whether he himself is receptive to that suggestion, which comes from certain people in the industry and of course is in effect in certain American states, whether, if that proposal was made to him, he would be responsive?

MR. CHAIRMAN: Order please. The hour is now 4:30. I am interrupting the proceedings for Private Members' Hour. This Committee will resume at 8:00 o'clock this evening.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. We are now under Private Members' Hour. The first item of business on Tuesdays is Private Bills. The first bill on the Order Paper is Bill No. 30, on the proposed motion of the Honourable Member for Crescentwood, The Canadian Institute of Management (Manitoba Division) Act, standing in the name of the Honourable member for Logan. (Stands)

We then go onto Bill No. 54, An Act to Grant additional Powers to Charleswood Curling Club Ltd. The Honourable Member for Logan. (Stands)

ADJOURNED DEBATE ON SECOND READING — PRIVATE BILLS

BILL NO. 57 — AN ACT FOR THE RELIEF OF

INGIBJORG ELIZABETH ALDA HAWES AND GEORGE WILFRED HAWES

MR. SPEAKER: Bill No. 57. The Honourable Member for Logan.

MR. JENKINS: Thank you, Mr. Speaker. I adjourned this debate on behalf of my Leader, the Honourable Member for Selkirk.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, this case arises out of a traffic accident which occurred quite a number of years ago and injuries which were caused as a result of that accident, failure on the part of the lawyer acting for Mrs. Hawes to sue out the particular claim within the two years required under the Statute of Limitations. Finally, after some three-and-a-half years, it is recognized indeed that the lawyer had not sued out the claim as required under the Statute of Limitations, province of Manitoba.

A bill was presented to this Legislature two years ago in an effort to reopen the Statute of Limitations in order to permit at that time an application to be made to the Court in order to waive the two-year limitation period and this Legislature at that time, in 1978, in its wisdom or lack of wisdom, Mr. Speaker, decided to reject the request for the opening of the limitation period.

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Since that date, Mr. Speaker, it is my understanding that the lady in question, Mrs. Hawes, has sued her lawyer and indeed has obtained a judgement in the neighbourhood of 60,000 to 65,000 as a result of the lawyer's negligence. Pursuant to the obtaining of the judgement, it is my understanding that efforts were made to recover from the lawyer, the negligent lawyer, and all efforts were unsuccessful. There were inadequate assets available in order for Mrs. Hawes to successfully recoup her damages. In fact, it is my understanding that no funds were collected as a result of the judgement that she had obtained.

Now, Mr. Speaker, the bill is back before us again, again requesting that we provide for an extension of the limitation period so that application could be made to the courts to consider all the circumstances, with the likelihood that the court, under those circumstances, would agree to an extension of the limitation period.

Mr. Speaker, when we were first dealing with this in 1978, opposition was expressed that Mrs. Hawes should sue her lawyer, that the application in the Legislature therefore was premature and that she should have first undertaken action. She has done that now, Mr. Speaker, and the result of those efforts have been fruitless, so that the argument which was presented two years ago, understandably, by members of this Chamber, no longer carries water today because there is an inability to successfully recoup the damages from the lawyer in question. Therefore, Mr. Speaker, I would like to suggest a positive response to the bill before us. I think in all this mess, and it is a mess that has occurred, involving an innocent lady who entrusted her case to a lawyer, she has herself been not at default. The insured was not prejudiced by the fact that the action was not commenced within the two-year period; the insured was fully aware that an accident had occurred; the insured had undertaken investigations; negligence on the part of the lawyer.

My only reservation, Mr. Speaker, about the bill that is before is that there is no contribution by The Law Society of Manitoba. I would have hoped, Mr. Speaker, that The Law Society of Manitoba would have assumed some responsibility. The Law Society of Manitoba is responsible for licencing the lawyers in the province of Manitoba; responsible for policing those lawyers; insuring that there is a reasonable level of competence. And yet, Mr. Speaker, The Law Society avoids any responsibility in the case before us because it is their opinion that they are not responsible because the defaulting lawyer, and remember it is the lawyer that The Law Society licenced, failed apparently to report in a manner or within time periods in which he should have reported, the very same accusation that is levelled in so far as the failure of Mrs. Hawes to sue her claim out in the first place against the insured.

Mr. Speaker, there is negligence on the part of the lawyer in question and I would have thought that we would have, within Manitoba, protection so that members of the public, in dealing with members of the bar, would be reimbursed if negligence results and if there is inability to recover from the lawyer, that The Law Society of Manitoba would stand behind, behind the claim and not look to a

technicality, Mr. Speaker, nor to fend off claims against The Law Society itself.

Mr. Speaker, though I am supporting the principle of the bill which is before us, and hope that bill finds support in this Chamber so it can proceed on its way to committee, I look forward to opportunity to consider some amendments. I believe that the Member for Minnedosa shares some of my concerns, that The Law Society should contribute toward the present situation before us. I do know, Mr. Speaker, why the Manitoba Public Insurance Corporation should pick up the total bill here, because that's what we are dealing with. The reason that the matter has reached the point that it has is, as I mentioned, the omission on the part of the lawyer involved. The Law Society must, I think, assume some responsibility, and I don't think it's adequate for the benchers to avoid that responsibility by trying to hide behind what I suggest, and I know The Law Society disagrees, but I suggest basically is a technicality. Certainly their defense has not been on the basis of the claim not being meritorious. The damages are there; the original negligence was there; there is no question that the claim is a just one. The only question that has been raised on the part of both the Manitoba Public Insurance Corporation and The Law Society and its insurers is that the claim was not properly processed. Mr. Speaker, I do feel that The Law Society should at least pick up the first 25,000 of this claim. Secondly, Mr. Speaker, I think that the legal costs that are involved in so far as processing the bill before us, I know a great deal of work has been done, that I would hope that bill would be forwarded to arbitration by The Law Society to insure that the bill is reasonable upon its final processing through this Chamber, so that we can ensure that all parties are properly protected. On the basis of that concern, Mr. Speaker, I would urge support for the bill before us. I would hope that we would have an opportunity to make sure that The Law Society undertakes some commitment, some contribution, rather than to avoid any commitment on the basis that the Manitoba Public Insurance Corporation will pick up the entire sum of money in the case before us. Saying all this, the most innocent party is Mrs. Hawes, it is most important that she find justice. She has waited many years to obtain justice and I do hope that members this time, even that voted against this bill two years ago, will see fit to, on this occasion, give this bill support so that justice can long last be obtained for Mrs. Hawes.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON: Mr. Speaker, thank you. I rise in support of this bill. I also rise with some great deal of sort of a feeling of some sort of fact that justice seems to be awake now that it's become a political issue. I remember during private bills on July 18th, 1978, when the Member for Ste. Rose and I supported this bill that was presented, again by my colleague from Minnedosa, and at that particular time in 1978, I stood up again against The Law Society — and have suffered a great deal because of it — and I am very pleased that now other lawyers are becoming involved, that the thread in the ball is

starting to come loose. By that I mean that this issue before us goes far deeper than Mrs. Hawes, who I'm sure and I hope will find finally justice and happiness. What it does is it show the flaws in the self-policing by an elitest organization that answers to no one. I would hope that in the support of this bill that finally when members of the bar, as Mr. Edge stood up at the meeting, and now the Leader of the Opposition is standing up, who is also a member of the bar, and is saying, whose fault is it that because of economic reasons, and even though these people are some of the wealthiest people in the province they were too cheap to buy proper insurance coverage; as a result when Mr. Walker appeared in front of our committee and was questioned by myself, what we found out was that this insurance applies to acts and omissions committed anywhere provided such claim is brought during the policy period. The insurance company that put that in obviously put it in because they wanted to bid low so that they could get The Law Society business, knowing at the time that, I guess, probably because of some sort of budgetary restrictions, that maybe it was the good old Scottish upbringing or whatever that caused them to be a little tight with the budget and they were looking for a cheap insurance policy. If one believes the theory that you get what you pay for, The Law Society at that time got what they paid for, namely, was absolutely very limited, if any, coverage at all.

The public should be made aware that when they have a claim against The Law Society you must go, first of all, before a Board of Inquisition. It can't be termed anything else because they are all members of the Bar and you are intimidated in a room by seven kindly gentlemen — I have yet to see a lady sit on that particular committee but maybe some day there will be — and these kindly gentlemen sit there and their job, again for budgetary reasons, is to not pay off, is to find some loophole. Now here you have a citizen — any citizen member that goes before the grievance committee who is sitting there in front of seven experts, seven people that are known for their 50 words, and you have a citizen with a glass of water sitting there against this Board of Inquisition saying; Why should we pay you for investing in a pizza chain; why should we pay you for investing with this lawyer in a mortgage deal; and why should we pay you because you have a 63,000 judgement against the lawyer?

I am very pleased that I received a letter, not but yesterday from the new chairman, a very fine gentleman named Mr. Farwell in which, at the next meeting of the grievance committee, they are going to deal with a long-standing complaint of mine, when are they going to enforce judgements that have been taken out by citizens of this province against members of the Bar. I think if you have a code of ethics and you're holding yourself up to be the most above reproach organization that has ever set foot in this province, and who directs and sets most of the laws that we rubberstamp in this House, that those people should be able to have some sort of pressure to be able to force this lawyer for Mrs. Hawes to pay something of that 63,000.00. If he can't, if he hasn't filed personal bankruptcy, then we get into the area that, fine if we support this bill and we support giving Mrs. Hawes, 63,000, then I say to those members of

The Law Society, we've saved your bacon, and don't you try to put your finger in the till, because I'll tell you I disagree with the Leader of the Opposition, even though we are both supporting this bill. He wants to, again, he doesn't want to offend his colleagues, so he says send it to arbitration. Do you know that a lawyer is not compelled to go to arbitration because it's binding on the lawyer, so why would he want to go to arbitration to set a legal fee? If this particular bill has been going on for years can you imagine how much of that 63,000 that they are going to carve up for legal fees? This bill should pass with an amendment that the 63,000 goes to Mrs. Hawes, and The Law Society takes care of the different lawyers that have been involved. I don't know what Mr. Walker's role was, but that they take care of the legal fees. Leave the windfall, leave justice for Mrs. Hawes — that's the reason she carried insurance was to turn around and when she gets that 63,000 cheque, there isn't a process server outside the door serving her for legal costs of 28,000, and I demand that the media find out what the estimated legal costs are because it will be shocking.

I say that we should support this bill and it should be the type that gets out of The Law Society, gets out of the legal members of this Chamber, and gets into everyone, as a decent elected official, looking at this thing as ordinary men and women and saying: Does Mrs. Hawes deserve a break. And if she does then she will get a 63,000 cheque from MPIC, and there should be a rider that there be absolutely no legal fees at all involved in this bill. I'll support the bill anyway because I agree that anyone should get paid if they have done some work. I remember the 1978 meeting, at the Private Members' Meeting, I was there when Mr. Walker was there and Mr. Smellie and I remember Mr. Stubbs was sitting there, and I wondered why he was there, and Mr. Walker touched upon it that The Law Society had a financial interest and it was a case of there is no one to answer to because The Law Society left Travellers Insurance and went to a place called Guesco, and I find that it's very amusing that The Law Society and lawyers have another insurance company called French and Company, and if a citizen has a complaint about lack of performance by a lawyer he is supposed to go to French and Company. That's what the general public thinks. But when you phone up French and Company they say, oh, we don't deal with the public. We only deal — you must hire a lawyer, and then that lawyer must then inform the Law Society and the lawyer who has been charged with negligence that there is a claim against him. And that lawyer, the onus is on that lawyer, who has had some waves created about his name, to notify French and Company that he may be getting sued.

Now unfortunately, there's nothing to compel that lawyer to notify French and Company that somebody is unhappy with his services. So I'm very suspect, at best, about the insurance carried by members of the legal profession in this province, and I'm glad that the Minister of the Consumers Bureau is here because I think at some point in time, we may have to have the Ombudsman have an additional duty, and that is to police the self-policers, because there has to be some sort of window for citizens of this

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province to be able to complain. And you can turn around and you can have a particular problem with the collection of some accounts; I was very successful this year with the help of the government and the Cabinet in getting the Suitors' Trust Account bill before this House, and we're going to be dealing with 1.5 million there, of lawyers' neglect in the large part.

The Minister of the Consumers Bureau, he doesn't want to get involved because he says, they've got a Law Society. They've got a grievance committee. Do you know that any citizen who reads books and takes a course in the credit industry has to take out a collection agency's licence for 250, but the lawyers with holes in their shoes in the Confederation Life building can engage in the same business without paying any licence at all, and answer to no one. They don't have the army of civil servants interfering in the marketplace, and that is one of the absolute perks that maybe a university degree has bestowed upon these elitist members of society and those that choose to go into the credit industry because they may have some shortcomings in corporate law, or whatever, so they have to engage in what, to most law firms is, a very low priority item.

But I wanted to get back again, and hope that members will deal with Mrs. Hawes in such a way that the wording of it to the Legislative Counsel and Mr. Tallin, and any of these that may be able to draft up the final approval if it is voted upon in a positive manner, and have Mrs. Hawes and her family — and if you read the report, it was certainly a tragic accident, and I must say that if Mrs. Hawes was down in the United States, her settlement would be well in excess of 300,000.00. She has the fortune, or misfortune, of being in an accident in Manitoba where awards for accident victims are very low, and I would hope that the suffering that has been caused by her — there might even be an aspect where we might consider some form of interest on the 63,000 if it is backdated, because certainly her family could have taken some of that money and invested it for her children, because I'm sure that a lot of it would have gone to improve her living conditions.

But with those few remarks, I urge members to support this bill and I would hope that you would think, at some point in time, that any citizen that dares to question the members' organization called the Law Society, they do so to save them from themselves, because there is such a peer influence that it just seems that no matter what political stripe you are, as soon as they get into a bar meeting, they all become brothers. And I welcome the Leader of the Opposition taking an active part in this bill because now, instead of just the Member for Ste. Rose and myself supporting the Member for Minnedosa, it appears that we're going to maybe have a majority because this is a free vote, and for that I'm grateful.

MR. SPEAKER: The Honourable Member for Rossmere.

MR. SCHROEDER: Thank you, Mr. Speaker. I recognize that some of the members present have had more experience than others with the Law Society and how it deals with people who wind up in difficulties, and certainly I hope that none of those

things will ever happen to me, and because I have a certain amount of faith in the discretion and integrity of the Law Society, I'm quite happy to stand up this afternoon and support the motion. I would like to explain briefly why I am doing so.

There was an accident, a person was injured, she went to a lawyer — and that is fairly important, she couldn't go to anyone else. Under Manitoba legislation, no other person can represent someone in court, and we have legislated ourselves a monopoly in representing people in legal matters, and that is the difference between us and many other professions or trades. If a plumber makes a mistake in terms of fixing things up, well, you can't expect the Plumbers' Association to come along and say we will pay it, because there is no legislation that said you had to go to a plumber, you can go anywhere else, and that is something we have to remember. Only with the professions are you required to go to a professional in a specific trade. This woman was injured, she went to the only person who could represent her in a court of law in this province, a lawyer.

Our Law Society, in return for that privilege, in return for that monopoly on the practice of law, has to take some responsibility for the competence of its membership. Of course, in this particular case there was a mistake made by the solicitor involved, they didn't file the statement of claim on time and I believe that in fact, that occurs more frequently than lawyers would like to admit. Lawyers are human beings, and they can make mistakes. Now, in this particular case, the Law Society apparently had changed insurers and the lawyer involved apparently didn't notify the Law Society of a potential claim, or the insurer of a potential claim before some period expired between insurance contracts.

I would say that certainly the Law Society itself, in the way it handled its change of insurance companies, is not completely free from blame. I think that it was not done very well, because I can perfectly see a lawyer getting material from the Law Society and possibly not reading all of it and not being aware that there is a change of insurer, because had there not been a change of insurer, my understanding is that the insurance would have covered it.

So we have here a situation where a person was forced by our law to go to a lawyer, there was a mistake made, the quid pro quo between society and the Law Society is that in return for its monopoly on the practice of law — that is that no one other than a member of the Law Society can practise law in this province — in return for that privilege the Law Society has agreed to ensure that where members of that association, members of that profession make a mistake, those people who are affected by that mistake will be reimbursed, they will be recompensed. In this particular case, we are now saying that in fact, it won't be the Law Society if this particular bill passes, that is that it will be MPIC which winds up paying for this mistake, and previous members have indicated that they would be in favour of some change in this particular bill which would require that the Law Society pay 25,000, has been one suggestion; the other suggestion was the payment of the legal fees. I would certainly be in support of either one of those. I believe that the Law

Society must be very careful when they change insurance policies to make sure that the members of the public are protected from the mistakes of lawyers.

And so, again, I will support this particular Private Members' bill.

MR. SPEAKER: The Honourable Minister of Government Services.

MR. ENNS: Mr. Speaker, I rise not as Minister of Government Services, but as Minister reporting to this House for the Manitoba Public Insurance Corporation. I feel, Sir, that with every real concern that I think all of us may have, and in fact do have about the situation and condition that a Mrs. Hawes of Selkirk finds herself in, and her legitimate request for compensation of some sort, but I am really and truly amazed at how passage of several years has changed the attitude of certain members in this Chamber when last this subject was before this Chamber.

I don't on all occasions agree with the Honourable Member for St. Johns, but I certainly find myself in total agreement when he, on July 28th of 1978 said, this bill is not in relief of a Mrs. Hawes, this bill is in relief of the Law Society's insurance company to begin with; this bill is in relief of the Law Society; this bill is in relief of a lawyer, a negligent lawyer; and then perhaps, at the expense of all of us, because most of us are motorists. And I wonder, Mr. Speaker, if it isn't because automobile insurance is a public operation that we tend to obligate, or put onto the shoulders of that public corporation, more easily, because it's more convenient, an additional cost of 63,000 that we shall all bear, those of us who insure motor vehicles in this province, to take off the hook the Law Society.

I have I believe some responsibility, Mr. Speaker, to concern myself about the legitimacy of that approach as Minister responsible for Autopac. I find it passing strange that I am very quickly, Sir, singled out for any imaginable adverse tactic that I might, from time to time, or that is perceived to be taken by this Minister or this government, that affects Autopac rates such as, for instance, the transfer of two cents gasoline taxes one way or another, or the possible introduction of certain other measures of administrative functions you might say that possibly, in the minds of somebody that might wish to so construe it, I don't think they're really serious when they say so, but that has been the kind of position that many members, particularly members opposite, have taken when it comes to loading onto Autopac unjustifiable cost.

Mr. Speaker, there is no clear demonstration — I know the amount isn't of such proportions that it would be felt in a demonstrable way, but there is a principle involved here that I really believe in this Chamber we ought, with some caution, to regard. I find it even more strange, Sir, to start talking about sharing the cost. Well, let's make the Law Society 25 or 50 percent responsible. Let's make them pay the first 25,000 and we'll nail Autopac for the remainder. Well, again, Mr. Speaker, is nobody bothered by principles in this matter? Can you be half right on an issue such as this?

Mr. Speaker, there seems to be an unwillingness or an inability on the part of everybody in this Chamber, and I include in that some learned members of the law, that all acknowledge, there seems to be a unanimity here, that the Law Society is at fault, or that the Law Society in the manner, in the way, in the kind of insurance policy that they purchased, allowed for this kind of loophole. Members appearing before us and making representations before us in past times on this bill have indicated thus.

Mr. Speaker, that doesn't change any of the principal factors of the bill before us. Mr. Speaker, I feel that to, in a cavalier way, assess these charges against Autopac is asking the administration, the management of Autopac, to accept a 63,000 charge which they are under no obligation, other than the actions of this Legislature, working against its interests, to perpetuate what it would have to assume.

I wonder aloud, Mr. Speaker, if that suggestion were, perhaps if it were a private insurance company, or would we then recognize that perhaps another insurance company, a private insurance company, might well have, just on the matter of principle, expended 50,000 or 60,000 or 63,000 to hire a high-priced lawyer to fight this kind of a bill, because they would not want that kind of precedent set.

But because Autopac is a public corporation that has, in this Chamber, a particular Minister that reports for it — I'm not suggesting for a moment that Autopac does not have a significant and substantial number of supporters in this Chamber — but I know that in discussions with the senior management at MPIC with respect to this particular bill, that they express considerable disappointment and encouragement that this kind of bill would be brought into this Chamber.

Mr. Speaker, we have a rare opportunity where the Leader of the Opposition has indicated, both in his capacity as Leader of the Opposition and as a member of the Law Society, that the Law Society bears, without question, the brunt of the responsibility in this matter. He has gone one step further. He is suggesting, and I'm not aware of the kind of amendments that he alluded to, but by the comments of other members there is a suggestion that this bill may be amended, and I suppose to perhaps some sharing of the costs; that the Law Society be asked to pick up the first 25,000, or whatever figure, or as other members have suggested, that the actual legal costs involved in this case be sent to a taxing officer of the court or that the Law Society, as such, bears the whole legal costs involved in the handling of the case to date so that the actual award to Mrs. Hawes not be limited or reduced by what one member described as substantial or shocking legal costs.

Mr. Speaker, it seems to me that when a learned member of the law, a Leader of the Opposition, or the member whose constituent she is, recognizes all these factors, that it then is putting forward a very double standard indeed when that same Leader of the Opposition who, with a considerable amount of pride and some justifiable pride, takes some recognition for the establishment of the Manitoba Public Insurance Corporation in this province, should be prepared to ask MPIC to take — and let's

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remember the order of things — another insurance company off the hook. That's what this bill is about. That's the first people that we are taking off the hook, another private insurance corporation. The second people that we are taking off the hook is the Law Society. The third person that we are taking off the hook is the negligent lawyer —(Interjection)— who is still practising law, I am advised, who has a judgement against him. We are doing this because it is so convenient, so easy simply to say, phone up Mr. Dutton and say, "Look, pay out the 63,000, will you? You just kind of cover that in your general administrative costs". Sir, that is not good business. It's a dangerous precedent to allow to happen and it certainly undermines the management at MPIC when they are forced by an outside group, as in this instance we are, to assume these kind of costs.

Mr. Speaker, for these reasons, with the greatest respect to my colleague from Minnedosa, I will be encouraging members in the Chamber to pursue their thoughts that they have expressed in this Chamber. I don't for one minute suggest that Mrs. Hawes should not get this compensation, but I also believe that the Law Society can find a way, with our help if need be, of seeing that compensation is made. If it takes a little longer, if it takes a little more pressure, then let's begin to address ourselves and apply that pressure in that direction. But for honourable members to vote on this measure now with any better conscience than they had in 1978 when they rejected it, because it's Autopac that's going to pay for it, I would ask them to re-examine their reasons for voting. The reasons that Mr. Cherniack, the Member for St. Johns, gave on July 20, 1978 are as valid today as they were then and the bill was defeated at that time. The bill should be defeated in its present form this time and the Law Society and its insurance company should pay the compensation to Mrs. Hawes. Thank you.

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

MR. PETER FOX: I would like to ask the Minister whether he would be prepared to vote for the bill if there was an amendment which would include onus on the Law Society?

MR. ENNS: Mr. Speaker, fortunately our system of operations allows members to see the amendments, to familiarize themselves with the amendments, and I would have to see that amendment and its form before I could answer that question. I could not support an amendment that divides the costs, because I believe MPIC blameless and correct in its position for not assuming any of the costs of this particular case.

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

MR. BRIAN CORRIN: My question, Mr. Speaker, is with respect to limitation periods per se. Would the Honourable Minister, in the context of the tragic circumstances of the Hawes case, be willing to accept that one solution which would ameliorate this sort of circumstance in the future, would be wide extension and liberalization of the limitation laws in

this province and, on that basis, would the Minister be willing to recommend to his government that the limitation periods that presently pertain be widely broadened in order that people could file suit at longer durations after the occurrence of such accidents?

MR. ENNS: Mr. Speaker, I would have no difficulty in accepting the supposition put forward by the honourable member when you are dealing with a specific case, such as we are dealing with this particular case here, where there is no question as to the severity of her injury and the injury can be specifically and directly related to an event and happening, an accident. However, what my friends, in what they loosely describe in liberalizing and widening these kind of terms, tend to forget is that if you widely extended the period of limitation, that with every year or week or month of extension you broaden potential liabilities that are not germane to a particular case. You broaden the opportunities of outright abuse of the system and could substantially alter, again, the kind of costs involved in this kind of a program, which automatically get transferred back to those users, those premium payers who find themselves, in this case — and I'm tending to refer this to insurance costs — or automobile insurance costs, and automobile insurance premiums.

I appreciate that when you have a particular given instance to look at, one can entertain reasonable suggestions for a broadening or liberalization of the Statute of Limitations. I would not be prepared to make that statement in a generalized way. In most instances, surely, particularly when you consider that it is not a question of defining within the present period of Statute of Limitations, the action to be taken. It's merely a question of surely, but within two years, to file claim for action. It may be five years, it may be 10 years before that claim is settled in terms of the extent of the injury is known, in terms of the full impact of the economic consequences to that individual.

I believe the potential for abuse would be broadened to such an extent that there would be an unfair, a reverse unfair burden cast on others who were playing the game and playing it pretty straightforwardly.

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

MR. DESJARDINS: Mr. Chairman, first of all, I would like to respectfully submit that the last question and the answer should have been ruled out of order. On second reading, it is the principle, the debate is in third reading and when we ask questions it is to clarify a speech that was made, not to try to get a member to bring in another speech. That could be a precedent that could — you know, this session is going long enough, I think. So having said this, I am sure that as long as it is not a precedent that would prolong the debates of this House . . .

Mr. Chairman, I had not intended to speak until I heard the last speaker, the speech that he made. I found myself agreeing with him in certain areas and certainly disagreeing in other areas.

Mr. Chairman, first of all, I don't think that a member can chastize people for saying that a few

years ago they voted a certain way. It is a brand new bill. There might be a certain set of circumstances where people change their vote and, furthermore, you debate and sometimes you change your mind. I remember that the Minister had made some statement that he was in favor of aid to private schools and then he voted against it, and this year he is for it. I have only faulted him when he wasn't agreeing with me, but I don't think that people should never change their mind. I think only the people that are quite stupid or stubborn never change their mind. As long as you let your conscience be your guide, so that can change.

Mr. Chairman, I agree when the Minister says that the first responsibility, and the responsibility, should be to the Law Society. But the government is not proposing any changes. You know, it is supposed to be a God-given right now. This Legislature had given certain rights to certain professionals. They are trusted, they educate themselves, they are responsible for their faculty at the university, they discipline themselves, they make the laws and it is something that they do, a request that was granted to them. They, in turn, should keep their group honest and should protect society, to make sure that there is enough protection.

The Society accepts certain responsibility, and I have seen it done. If they decide that's it, there is no final arbitration as far as the discipline of the members. For instance, they might say, well, I have seen it done where there was embezzlement and the Law Society says, well, the lawyer didn't do that as a lawyer, the advice that he gave you, or bad advice, was as a friend. He is not licenced as a lawyer to tell you about where to make your investments.

I think that is wrong. I think that we have to protect the people, because if a society — first of all, they are charging pretty good fees and they are not charging so much an hour, no, they are not charging so much an hour. That wouldn't be bad, it depends what the case will be and sometimes it is a good percentage. If it is a divorce, and mostly, even more so in the States. You know, if somebody will get something on the divorce case, it could be half-a-million dollars or a couple of million dollars. — (Interjection)— Yes, fees. It depends what you get, you get a good percentage of it.

They are not the only professionals, there are others professionals who say, well, why don't you charge so much an hour, or sometimes your secretary does most of the work. It is because of the responsibility that we take. You can't have it both ways. If that is the responsibility that they take, then they must accept these responsibilities. I say that either you decide — it is not a God-given right and we should review it once in a while if it doesn't work well. You review the labour laws, you review other laws, but when it comes to the Society, if you dare say anything well then you want a confrontation with either the lawyers, the professionals, and your name is mud. Don't disturb, don't rock the boat.

We have a responsibility in this House. It doesn't mean that we are picking on anybody if we look at the responsibility and we try to serve all the people of our province. I think that it is time that we look at a system, bring in some legislation that will force them to have insurance or accept the responsibility, or make sure that they are bonded, but you must

protect the public. I would like to see — it is difficult for me to make up my mind on that, because I cannot just say, okay, waive that Statute of Limitations and go ahead without putting the responsibility where it should be. I think there should be an amendment, or at least that the government should say, we are going to look at that, we are going to see if there should be some change to make sure that the public is protected. You know, when you see a lawyer advertising, a lot of poor ordinary people have no idea, when they see the lawyer they believe in him and he has got all the answers and they are going to see him as a lawyer. If you were told later on, well, you know, that is as an investor that he gave you it, it has nothing to do with the Law Society. I don't agree with that.

Mr. Chairman, I think that's the first thing and there should be a commitment, first of all, especially when a Minister speaks, and as a Minister like the last one who spoke, I think he should say, well, all right, this is not the way to go, but bring another solution. But no, forget that person, let her suffer some more. That is not right.

I think if the government could come in and say, this is what we are going to do, we are going to review this, that is number one. That is the way I feel and if there is any amendment that brings that I certainly will support that. But having said that, where does our responsibility lie? Are we going to wait forever because of a bad system? Because the Law Society and the politicians are wrong because they allow this kind of a situation, the lack of protection? So we say to this poor person, well, you are a victim of circumstances, you have done everything, you have spent a lot of money, a lot of mental anguish, you have waited, but forget it, because the system must be protected.

I don't agree with that, and I think it is very wrong for the Minister, who is saying, well, you have got to protect the business end of it, and that seems to be his worry. Now he did mention if it was free enterprise maybe we would hesitate, but then because it is the public we should.

I think we all agree here that it is somebody else, he mentioned those that would be left off the hook, but if they don't protect this woman, there is somebody else that he should have added to the list. It is the insurance, our own Autopac, because it was only because of a technicality that they don't pay. So it is not a load that you are putting on them, it is something that they would have paid if there hadn't been any negligence at all. The Minister is saying now, because of the technicality the public got away without spending that, and don't load it on us, it is bad business.

Of course, it is bad business, but that is one of the reasons why the public are in certain businesses, certain businesses that the private sector might not be willing to do, can't do, or can't keep if you have a force, like there is compulsory insurance and so on, where you have a captive group, and I am not going to bring all this business about Autopac being in business, but I think that the public would not want one of the members of the public, this lady for instance, to suffer because of a technicality, because somebody was wrong and they got away with it. This is something, if you could talk to a non-conscience group or not a living body, but somebody like

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Autopac or a business, and say, well, by a question of conscience you should pay. It is the public and one of you has been, because of negligence, certainly hasn't been served well, and normally you would pay it. I think that it is wrong for the Minister to say, well, it is good business, we could get away with it, because there was negligence, so you shouldn't pile it on then.

If it was normally something that was the responsibility of something else, if it wasn't the insurance company, and somebody would have a bright idea to say, well, let Autopac pay it, that is something else. But Autopac would have had to pay it in any case had there not been negligence, Mr. Chairman.

I think that this Bill cannot — I don't think you can cover this Bill by just looking at it and saying well, all right, there has been a mistake so you are going to pay. I think that is wrong. I also would sooner not see Autopac pay it, I want this to be understood. I think the responsibility is to the lawyer, and therefore the Law Society, who have accepted certain responsibilities for some of the rights that they were given through the legislation, and I certainly would hope that there will be an amendment that will cover that in this Bill. I am not quite satisfied with the Bill, but if everything else fails, and if the all the amendments that are brought in are defeated, I will still support this Bill because I don't think that because of all our mistakes, and the mistakes of that lawyer and the insurance group, that the person — probably the only innocent person — will have to pay for it. I don't like to see this, but until something is done, if there is no other means to rectify it, I certainly will give the benefit to this poor person that has been suffering that much.

I certainly would hope, as I say, that is not good enough though, because this is nothing — the Minister seems to think that this is only because it is Autopac that a Bill like that was brought in. I have seen many of these bills in my time in this House and it hasn't always been public bills.

Mr. Chairman, maybe it is the time that either you would think at one time the Law Society was very careful and if there was any doubt, they would cover it, and now maybe they feel they are too strong, or maybe some of these professional groups feel that maybe they shouldn't accept the responsibility, or like the member said, that no government will dare interfere or even look at the situation to see if any of

. . .

MR. SPEAKER: Order please. The hour being 5:30, when this subject next comes up the honourable member will have nine minutes.

The Honourable Acting Government House Leader.

MR. JORGENSEN: Mr. Speaker, I move, seconded by the Member for Minnedosa, that the House do now adjourn and resume at 8:00 o'clock in the Committee of Supply.

MOTION presented and carried, and the House accordingly adjourned and stands adjourned until 2:00 o'clock tomorrow (Wednesday).