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

**DEBATES
and
PROCEEDINGS**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty - First Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA
Monday, 23 March, 1981

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 St. Matthews.

MR. LEN DOMINO: Mr. Speaker, I beg to present the first report of the Standing Committee on Public Utilities and Natural Resources.

MR. CLERK (Jack Reeves): Your Committee met on Tuesday, March 17th and Friday, March 20th, 1981, to consider the Annual Report of the Manitoba Telephone System.

Your Committee received all information desired by any member from Mr. Gordon W. Holland, General Manager, Mr. John Bulman, Chairman, and members of the staff of Manitoba Telephone System with respect to all matters pertaining to the Annual Report and the business of the Manitoba Telephone System. The fullest opportunity was accorded to all members of the Committee to seek any information desired.

Your Committee examined the Annual Report of the Manitoba Telephone System for the fiscal year ending March 31, 1980, and adopted the same as presented.

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

MR. DOMINO: Mr. Speaker, I move, seconded by the Honourable Member for Emerson that the report of the committee be received.

MOTION presented and carried.

**MINISTERIAL STATEMENTS
AND TABLING OF REPORTS**

MR. SPEAKER: The Honourable Minister without Portfolio.

HON. EDWARD MCGILL (Brandon-West): Mr. Speaker, I have a brief statement to make to the House with respect to the 1981 Royal Manitoba Winter Fair which begins next week in Brandon.

MR. SPEAKER: Order please. Has the Honourable Minister copies?

MR. MCGILL: Mr. Speaker, there have been copies of the arrangements, which have been made, circulated to members. This annual visit of members of the Legislature to the Royal in Brandon goes back many years and I know that members will be pleased that this year's Board of Directors have again

extended an invitation and plans have been made to adjourn the House on Wednesday, April 1st, in order that as many members as possible will be able to attend this outstanding agricultural showcase.

I know that in the past there has been a good attendance at these annual visits and members who have not been there will find that the show is not only informative but highly entertaining and interesting.

So, Mr. Speaker, I extend, on behalf of the Board of Directors of the Royal, the invitation to members to attend on April 1st and they will note that the details have been circulated to them.

Thank you.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Thank you, Mr. Speaker, I just want to express similar sentiments as have been expressed by the Minister without Portfolio and I would certainly hope, as he does, and as members of the exhibition do, that every member of the Legislative Assembly of Manitoba will certainly make an effort to attend one of the finest fairs of its kind anywhere in North America, maybe anywhere in the world. It's a first class show, one is never disappointed by the Royal Winter Fair and I hope to see many of my colleagues out on that occasion.

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

NON-POLITICAL STATEMENT

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

HON. GARY FILMON (River Heights): Mr. Speaker, I wonder if I might have leave of the House to make a statement of a non-political nature.

Mr. Speaker, I'm sure that all members, and indeed all Manitobans will join with me in extending heartiest congratulations to Karen Fallis and her rink from the Winnipeg Winter Club who, this past weekend, were victorious in the Canadian Junior Women's Curling championship. The rink consists of Karen Fallis, Karen Tresoor, Caroline Hunter and Lynne Fallis. This is, as you are well aware, Mr. Speaker, the third major national title for Manitoba this year in curling, and I'm sure that this is testimony to the excellent standard of curling which prevails throughout our province.

Thank you, Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed with Oral Questions, I should like to introduce to the honourable members 19 visitors from the Grace General Hospital under the direction of Miss Carmen Aziz. This hospital is in the constituency of the Honourable Minister of Industry and Commerce.

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

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ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, my question is to the Minister of Labour. In view of the fact that the Minister of Labour's Department, Health and Safety, issued an order requesting that an area affected by a spill of fluid at CKY T.V. be evacuated insofar as the employees were concerned, and that order apparently was not acted upon because of some other counter-order subsequently delivered, can the Minister advise why the subsequent order was not delivered in writing as the first order, which indeed had required the evacuation of the area affected?

MR. SPEAKER: The Honourable Minister of Labour.

HON. KEN MacMASTER (Thompson): Mr. Speaker, it's my understanding an order was issued and that the particular area in question was evacuated.

MR. PAWLEY: Mr. Speaker, as the order indicates that all areas where the odor exists, are to be evacuated, is the Minister advising the House that all areas, in which the odor exists, have been evacuated and remain evacuated during the continuation of the odor?

MR. MacMASTER: Mr. Speaker, my people tell me that was a general order and the specific area they were concerned about was specifically evacuated.

MR. PAWLEY: Mr. Speaker, further to the Minister: Is the Minister then in a position to assure this House that there is no health hazard insofar as the area is concerned at CKY T.V., that indeed all the necessary evacuation has taken place as according to Order No. 1, which was issued from his department, No. 8103-18, that that order has been fully complied with?

MR. MacMASTER: Mr. Speaker, I spelled out that my department advised me that the particular area of concern was roped off and people were asked to keep out of that particular area. The word "evacuation" was maybe improperly used in this incident.

MR. PAWLEY: Mr. Speaker, then in that case, is the Minister confirming to the House that the written order, which was first issued indeed has been rescinded or replaced by a verbal understanding that was arrived at subsequent to the issuance of the written order, which spelled out all areas affected by the odor ought to be evacuated.

MR. MacMASTER: Mr. Speaker, I don't know how many times I have to repeat myself. The department has informed me that they're satisfied that the particular area in question was roped off and people kept out of that area.

MR. PAWLEY: Mr. Speaker, my question to the Minister is, would he then look at the order which was issued by his department? It appears that the Minister is not familiar with that order. The order

does not refer to any area being roped off; it refers to an area, which is affected by the odor itself. Then to the Minister, has he examined the order personally, is he satisfied that the order which was issued in writing by his department has been complied with, or is he simply relating to what has been a verbal understanding in place of the written order?

MR. MacMASTER: Mr. Speaker, I am satisfied that appropriate action was taken by my department in this incident.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Yes, Mr. Speaker, I'd like to direct a question to the Honourable Minister of Education.

Can the Minister of Education advise the House whether he has received representation from the Manitoba Association of School Trustees with respect to the deterioration of the public school system, by virtue of the moneys now being forwarded to private schools in the Province of Manitoba?

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): No, Mr. Speaker.

MR. GREEN: Mr. Speaker, in view of the fact that such representations appear to have been made public by MAST, would the Minister of Education see whether in fact there is a problem suggested and would the Minister further consider that there be, within the public school system, that diversity which has caused some people to seek out private schools at their own expense, rather than having the kind of experience that they wish to engage in provided within the public school system?

MR. COSENS: Mr. Speaker, we keep a careful monitoring process in touch with all aspects of the system and I can assure the honourable member that we certainly are monitoring that aspect as well. We see nothing disturbing or frightening about the system as it exists today and certainly I cannot reinforce the concern that the honourable member seems to espouse at this time.

MR. GREEN: Mr. Speaker, regardless of whether the Minister is concerned with my concern, would he be concerned with the representation of the Manitoba Association of School Trustees in this area and if there is concern on their part — if he wishes to ignore me — if there is concern on their part, would he actively see whether there was a way in which the parents who have seen fit to pay in part their own educational expenses could be relieved of it by having the diversity that is apparently showing to be a need, provided within the public school system?

MR. COSENS: Mr. Speaker, I meet with the Manitoba Association of School Trustees Executive annually, to consider the resolutions that they have passed at their convention. I'll be doing that again

this year. I certainly will be discussing with them their concerns in connection with any resolution.

At the present time we do have provision in Manitoba for people to opt out of our public school system into an alternative system, that seems to be meeting the needs of citizens of this province. I don't see any necessity at this time to consider other alternatives.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW: Yes, Mr. Speaker, I'd like to ask the Minister for Economic Development whether he would confirm that additional information has been supplied to the people proposing to build a helicopter plant in Manitoba.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, as I mentioned in the House last week that we would be in contact with the lawyer for the company, we were; one of my assistant deputies had meetings with him. They had discussions as to what the information was that they were referring to, that they didn't have and I believe that information that they were requesting or claimed they didn't have was supplied to them today. There are some of their requests we will not be able to meet, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. USKIW: Well, Mr. Speaker, I would have hoped that that was the answer last time but I'm pleased to hear the Minister confirm that things are under way again. I would also ask the Minister why it was that the government chose not to offer site locations in the Selkirk area where the government owns quite a bit of property when they were requested by the company to locate or expropriate property for them and which the Minister objected to in the Selkirk area.

MR. SPEAKER: The Honourable Minister for Economic Development.

MR. JOHNSTON: Mr. Speaker, the development officers as far back as I believe, close to a year-and-a-half ago or more, had discussions of different areas in the province that might be available to that company. Gimli was the natural thought of where the company would like to go because of the facilities that are presently there, Mr. Speaker. Requests from any companies for the Government of Manitoba to expropriate property and sell it to them or also put in conditions to freeze the cost of the properties around any particular area are not something that we would consider, Mr. Speaker.

MR. USKIW: Well, Mr. Speaker, I appreciate that the Minister doesn't want to expropriate property for a private company, that's understandable but my question is, why was the Minister not in a position to offer properties that were already owned by the Crown in that particular part of the province?

MR. JOHNSTON: Mr. Speaker, as I said and the Member obviously wasn't listening, I believe our

development officers let them know about all the different areas in the province where there were industrial areas and where the province probably owned the property, but I can say, Mr. Speaker, that it was the company's decision to consider Gimli, not ours.

MR. USKIW: Mr. Speaker, I don't want to quarrel with the Minister with respect to the company's position; if Gimli is the place that they want to go, so be it. It was the Minister that alluded to the fact that the company wanted a Selkirk location and had asked the Minister to expropriate the property. It's in that light that I ask him those questions.

MR. JOHNSTON: If the Member would repeat the question again, the last part of the question, Mr. Speaker?

MR. SPEAKER: Order please. The honourable member didn't have a question.

MR. JOHNSTON: All right.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: I'd like to direct a question to the Minister of Education and ask him whether the government is prepared to provide a transitional grant to taxpayers in the River East School Division, Transcona-Springfield, St. Boniface, and other divisions that are adversely affected to cushion the impact of the government's new educational support program or foundation program.

MR. SPEAKER: The Honourable Minister of Education

MR. COSENS: Mr. Speaker, the new program envisioned a five mill cushion on eligible expenditures that would take care of problems and situations such as the honourable member has alluded to. However, if school divisions choose, or so determine that they wish to go beyond those eligible expenditures, there is no provision there.

MR. DOERN: Mr. Speaker, that's the nub of the matter, namely that the Minister, I ask him whether in view of his strict conditions of the proposed grant and a one-year cap or limitation, I ask the Minister whether he's prepared to do anything more than throw out a one-year election gimmick?

MR. COSENS: This is no one-year gimmick, this is a three-year plan, the first time that we've had that type of plan in this province that guarantees a certain amount of revenue to each school division in this province. We've never had that before, sir, it's far from a one-year gimmick.

MR. DOERN: Mr. Speaker, I apologize. It's a three-year gimmick.

I'd like to ask the Minister, has he formally conveyed this information to the divisions which are adversely affected by the government's program, for example, River East and Transcona-Springfield?

MR. COSENS: Mr. Speaker, I'm sure these divisions are well informed as to all the aspects of the plan.

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We've held seminars around the province where school board officials have been present; I'm sure that they recognize and realize all aspects of the program.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MS. JUNE WESTBURY: Mr. Speaker, my question is addressed to the Acting Deputy First Minister, or the Acting Minister of Energy, whoever is speaking for the First Minister and his Deputy today. In view of the Minister of Energy's commitment on March 17th in this House to the effect that any transaction with regard to power export will be self-sustaining, stand on its own, pay for itself and produce a return for the people of Manitoba, Mr. Speaker, my question is, has the Province of Alberta committed to a price for Manitoba power above its domestic alternatives to guarantee the return which the Minister has committed to this House and the people of Manitoba?

MR. SPEAKER: The Honourable Acting Minister of Energy.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, I would be happy to take that question as notice for the Minister of Energy. I might point out to the House that the Minister of Energy and the First Minister are attending the funeral of the father of the Minister of Energy today.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RON MCBRYDE: Mr. Speaker, my question is to the Minister of Resources. I believe the Minister is aware of efforts by The Pas Chamber of Commerce to bring together various individuals and groups to discuss, explore, and hopefully reach understanding on the use of the Saskerem area near The Pas. Has the Minister or his staff been informed of this? Will they be participating and does the Minister believe this is a good approach to look at the land uses of that area?

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, I can report through you to the House and specifically to the Member for The Pas, that we had last week a good and productive meeting with the members of the association that he referred to. Members met with myself, the Premier, and the Minister of Agriculture, and we have indicated to this group that it will be our intention to in a more formal manner set up the mechanism by way of an Advisory Board and perhaps also establish a greater governmental presence by means of a Marsh Manager or Wildlife Manager for that area, who will be advised by a group of local people reflecting the various land use demands of that area. It would be my hope that the kind of local participation in the future wildlife management planning of that area will help alleviate some of the difficulties, some of the misunderstandings that have arisen in the area of the Saskerem over the past number of years.

MR. MCBRYDE: Mr. Speaker, I wonder if the Minister is concerned that one of the main actors in

the use of the Saskerem area, namely Ducks Unlimited, has refused to take part in these discussions being arranged by the Chamber of Commerce at The Pas; I believe they have refused to do this because they think that the government will give them what they want, so they don't need to participate in discussions with local people.

I wonder if the Minister will use his influence as Minister, because he does have authority over giving control of that area to Ducks Unlimited, to get Ducks Unlimited to take part with the local people in the discussions of the uses of that area.

MR. ENNS: Mr. Speaker, I would, of course, prefer to refer to Ducks Unlimited, not in the manner that the Honourable Member of the The Pas does as one of the actors, but as a major contributor to the preservation of a very desirable wildlife resource namely migratory game birds in the general area and have over the past 20 years by agreement worked very successfully with the different administrations, I might add, Mr. Speaker, dating back to 1963, I believe when the original agreement with Ducks Unlimited was signed.

The question of whether or not that organization and the role that it plays at meetings called from time to time — I understand in this case it was the Chamber of Commerce that called a particular meeting — is of course up to them to participate to the extent or to the degree they feel necessary.

What I am making reference to is a more formalized meaningful role for the very different interests that are represented in that area, the different land use opportunities that are presented in an area like Saskerem, to be appropriately represented on a Advisory Committee that can give to government future direction as to the land use and the applications that different organizations should have with respect to access to the land, a kind of land dedication from time to time, including the dedication to an organization like Ducks Unlimited over a period of years which would have hopefully enabled that organization to, in a substantial way, contribute with their moneys, moneys that I don't have to collect from the taxpayers of Manitoba, for the preservation of the wildlife species in that area.

MR. MCBRYDE: Mr. Speaker, I would like to get some clarification of the Minister's answers if I could. I think that the efforts of the Chamber of Commerce are good efforts to try and bring together the various interested parties in the use of that area, and I am not sure whether the Minister is saying he doesn't feel that's a worthwhile effort; whether there should be another mechanism to do that.

Secondly, I am not sure whether the Minister would then use his good offices to encourage Ducks Unlimited to take part with local people in those discussions or whether he would just let Ducks Unlimited do whatever they wish, even though they are controlling that land with permission of this government.

MR. ENNS: Mr. Speaker, the honourable member is well aware there has been, and this happens from time to time, particularly this past summer or last summer's drought condition, which called for the draw down of waters on the Saskerem. Subsequent

difficulties with fish kill in the past months in that area has created a situation where I really believe it's in the best interests of all parties to draw back, if you like, a little bit instead of attempting to solve all these problems at open forum public meetings. Obviously there has been some attempt, and I must say some deliberate attempt, made at painting one organization as being the guilty party or the scapegoat of whatever difficulties there are in the Saskeram areas.

I think under those circumstances, Mr. Speaker, I don't have to answer for, nor do I, Ducks Unlimited. They are quite capable of answering for themselves in this regard. What I am suggesting to the honourable member, that I intend, through the Department of Natural Resources, to ensure that a proper forum exists for all interested parties to have an opportunity expressed and indeed to influence the management of the general area and that will come through the supervision of the Department of Natural Resources and not any single private organization.

MR. SPEAKER: The Honourable Member for The Pas with a new question.

MR. MCBRYDE: Mr. Speaker, a new question on the same subject matter. My question to the Minister of Resources is, since the Minister wishes to convene some type of mechanism of his own in regards to the use of the Saskeram area, and since Ducks Unlimited has indicated that the people who met with the Minister were in fact kind of radical and therefore they didn't want to be involved in a meeting that they were involved in, I wonder what the Minister intends to do when he sets up this mechanism and Ducks Unlimited realizes how radical this Minister is, whether he will still require them to take part in this or not?

MR. ENNS: Mr. Speaker, the honourable member is making so many very loose assumptions and statements that simply don't correspond with the answers that I just have given him. I didn't indicate in this House that I had met with the party that was calling this meeting, presumably the Chamber of Commerce of The Pas. I indicated to him that we had met with representatives of The Pas Farmers Association. To my understanding that was not the association that was calling the meeting that the honourable member referred to in subsequent supplementary questions.

Mr. Speaker, I think I would begin to abuse the privileges and rules of this House if I tried to once again repeat myself for the benefit of the Honourable Member for The Pas. I invite the honourable member to come up to my office on the third floor of the building and he and I can have discussion about the future management of the Saskeram, the kind of willingness, the kind of co-operation that I always look for from honourable members opposite at all times, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Speaker. My question is to the Minister responsible for the air ambulance service and I would ask the Minister if he could provide the House with an update status report

as to his government's activities in respect to replacing the MU-2 and the purchase of a replacement aircraft for air ambulance in northern Manitoba.

MR. SPEAKER: The Honourable Minister of Transportation.

HON. DONALD ORCHARD (Pembina): Yes, Mr. Speaker, I would be more than pleased to do that. We now have an aircraft in Winnipeg which will be available for service very shortly to replace the MU-2. That aircraft is a Cessna Citation which can provide the kind of flexibility and the kind of service that is needed in the medical evacuation and the air ambulance role.

MR. COWAN: Is the Minister then indicating, Mr. Speaker, that aircraft has been purchased or is under active lease by the government at this time and will be operational, and if so can he provide some detail as to specifically when that aircraft will be available for emergency transfer cases in Northern Manitoba?

MR. ORCHARD: That aircraft is being leased by the government, Mr. Speaker, and the lease papers are in the process of being finalized. We expect that to be done mid-week and as soon as the lease arrangement is finalized we can put that aircraft in the air, Mr. Speaker.

MR. COWAN: Finally, Mr. Speaker, I would ask the Minister if he can indicate if consideration is being given to basing that aircraft outside of Winnipeg in a northern centre, and if he can further give some information as to if consideration is being given by his government to develop a special medical evacuation team to be on hand to work with that aircraft on emergency evacuations out of Northern Manitoba and other parts of the province.

MR. ORCHARD: Not at this time, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I would like to direct a question to the Minister of Health concerning an issue that I have pressed the Minister on and ask him whether he can confirm that effective April 1st, that orthopedic shoes will be included under Medicare.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Yes, Mr. Speaker, that program comes into effect on April 1st.

MR. DOERN: Mr. Speaker, since several hundred parents and people will be affected by that program and should be able to access it and take advantage of it, is the Minister doing anything more than issuing a press release to that effect?

MR. SHERMAN: No, but I can certainly take that under consideration, Mr. Speaker, and see what I can do to promote it and publicize it more widely. I will make several references to it later today or

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tomorrow, Mr. Speaker, when we reach the New Programs content of my Estimates.

MR. DOERN: Mr. Speaker, we don't want a repetition of \$62,000 but we would like to see the information made available to the public.

I would like to ask the Minister whether he would also be prepared to attempt to find a person or organization or shoemaker or whatever in Winnipeg to possibly produce these shoes, which I understand are all custom ordered from Toronto and seem to be excessively high priced, namely some of these shoes or boots seem to run into the order of \$200 a pair which seems quite excessive. So I would ask the Minister whether he would attempt to explore alternatives to shipping these orders to Eastern Canada and try to develop a procedure that could be carried out in Winnipeg or Manitoba.

MR. SHERMAN: I would like to examine the honourable member's question, Mr. Speaker, and I certainly will and I will check back with him.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Mr. Speaker, my question is directed to the Minister of Health. In view of the fact that we have been informed that there will be six more professional association bills coming forward before the Legislature, can the Minister indicate which ones of these will be in the health care field or will all six be in the health care field?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: There are a total of six in the health care field that I am aware of, Mr. Speaker.

MR. PARASIUK: A supplementary to the Minister, I am wondering if he could let us know which they are, in that I have been receiving calls from more than six health care organizations or associations indicating that they believe that their bill will be brought forward and I think it would expedite things if the Minister could inform us as to which of the associations' bills will indeed be brought forward at this sitting.

MR. SHERMAN: Yes, Mr. Speaker, they include, The Medical Act, which is already on the Order Paper, and The Pharmaceutical Act, and The Respiratory Technologists, The Laboratory Technicians, and two others, Mr. Speaker. I will supply the honourable member with that information tomorrow.

MR. SPEAKER: The Honourable Member for Churchill.

MR. COWAN: Yes, Mr. Speaker, my question is to the Minister of the Environment, and I would ask the Minister if he could provide us information as to what involvement his department had in respect to the spill of a hazardous chemical at the CKY T.V. Station last week.

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

MR. FILMON: Yes, Mr. Speaker, after receiving a telephone call from the radio station reporting the

spill, our department notified both the City of Winnipeg and the Workplace Health and Safety Branch of the Department of Labour; as well, the Emergency Measures Organization were notified. Subsequently members of our staff were involved in discussions and in fact in one particular case in an effort to identify the particular substance, because there seemed to be a contradiction between the odor that was being observed and the identification that was provided by the station. The sample was then taken to our Technical Services Lab for testing and throughout the whole procedure our staff were in constant contact with the various people from the other departments involved. They recommended methods of cleaning up and absorbing the material that was left; they also made recommendations about disposal; they informed the City of Winnipeg when they became aware that part of the material had gone down the sewer. So they were involved throughout the entire procedure, Mr. Speaker.

MR. COWAN: We thank the ex-Minister of the Environment for his comments from his seat, however, as it appears as if the present Minister was responsible for co-ordinating the activities in response to the spill, can the Minister of the Environment inform the House as to why it was that several areas in that building were opened and closed and that there seemed to be a number of general complaints from workers and management at the site about a lack of co-ordination of the activities of the different departments which were in fact attempting to deal with that spill?

I have been informed that the management and workers at that particular site felt that their activities which were attempted to be done in a co-operative way, were in fact hindered by the lack of a co-ordinated response and conflicting advice and conflicting orders on the part of the different levels of government. As the Minister was responsible or has taken responsibility for the co-ordination of the activities, can he now indicate why it was there appears to have been very little co-ordination among the different departments?

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

MR. FILMON: Mr. Speaker, I think that there was a question of what the particular material was that was being dealt with. In fact, I know that the material was identified as three different substances throughout the period of time, and so out of an abundance of caution, some instructions were made to evacuate, or to keep clear part of the site at the CKY Station. I can tell you that at various times the material involved was identified as firstly, a Dowtherm 209 and secondly, a Dowtherm A, then thirdly a PCB derivative material. In all cases the identification was partially hampered due to the fact that the material was 15 to 20 years of age and probably had broken down in the course of usage over the period of time. So in all cases, both the Workplace Safety and Health officers and our own inspectors were acting out of an abundance of caution and not wanting to take any unnecessary risks with any of the workers who were involved. Perhaps at various times they erred on the side of safety and I'll certainly take responsibility for that, but I assure the member that

they were acting in good faith in an effort to ensure that nobody was running any risk by being in any of the areas of that building and that's why there may have been some contradiction in the orders that were issued, Mr. Speaker.

MR. COWAN: Mr. Speaker, nobody doubts that the people at the site and even the department was acting in good faith. However, can the Minister indicate why it was that the cafeteria at the worksite was closed, then opened, and then closed again? Can he confirm or can he suggest, or is he trying to suggest that by opening the cafeteria and then closing it again, they were in fact acting, as he says, with an abundance of caution? When did that caution fail the group when they opened the cafeteria and found they had to close it again, as happened with several other specific sites at the worksite?

MR. FILMON: Mr. Speaker, I'd just like to reassure the member that our department at all times had the interest of the workers and their safety in mind when they were making these decisions, and they were involved with members from other departments, and that perhaps was one of the reasons why too much caution was used at certain periods of time.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Mr. Speaker, I'd like to address a question to the Minister of Government Services, or perhaps it should be to the Minister responsible for the Civil Service in absence of the Minister of Agriculture, and that is, could the responsible Minister advise by what date the move of the Agriculture Department employees will take place, that is the move that has been announced of, I believe, the Water Services Board employees from Winnipeg to the City of Brandon?

MR. SPEAKER: The Honourable Minister of Government Services.

HON. WARNER H. JORGENSEN (Morris): Mr. Speaker, I'm not able to advise my honourable friend precisely the date that move will take place. It will be within a reasonable period of time.

MR. EVANS: I presume a reasonable period of time, Mr. Speaker, is some time this year. However, I'd like to ask the Honourable Minister of Government Services a supplementary question, and that is, has the Provincial Government found a suitable location for the offices of those particular employees?

MR. JORGENSEN: Mr. Speaker, the department is now in the process of attempting to locate that space.

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

MR. EVANS: Thank you, Mr. Speaker. I wonder if the Honourable Minister could advise whether the former Co-op Retail Store is one of the premises being considered for a possible location of those offices?

MR. JORGENSEN: Yes, Mr. Speaker, that is one of the spots that is being considered.

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

MR. A. R. (Pete) ADAM: Thank you, Mr. Speaker, I would like to ask a question that has come to my attention, to the Minister of Highways. I would ask the Minister if he could advise if the Registrar, Mr. Dygala has declined, on two occasions, to meet with the Manitoba League of Physically Handicapped in regard to legislation that I believe is before the House at this particular time?

MR. SPEAKER: The Honourable Minister of Highways.

MR. ORCHARD: Not that I'm aware of, Mr. Speaker, but no doubt the Member for Ste. Rose will be a little more specific and I'd be able to better answer his inquiry.

MR. ADAM: Mr. Speaker, I have been informed that the Manitoba League of Physically Handicapped persons have requested two meetings on two different occasions to meet with Mr. Dygala to discuss legislation that would affect them, and that he has declined to do so, and I would ask the Minister that if the Registrar does not wish to meet with this group, would he be agreeable to meet with them, should they so desire?

MR. ORCHARD: I wonder, Mr. Speaker, if the Member for Ste. Rose could indicate what particular legislation is the suggested topic of discussion. I'm at somewhat of a loss to know what particular reference the Member for Ste. Rose is making here.

MR. ADAM: Mr. Speaker, I believe it is legislation that has to do with wheelchairs for the handicapped which have electric motors on them, and which will now come under legislation similar to Mopeds.

MR. ORCHARD: Mr. Speaker, I'm not aware of that legislative amendment which would bring wheelchairs in under the guise of a Moped, I don't believe that's part of the legislative package.

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

The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Minister of Finance, Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Finance; and the Honourable Member for Virden in the Chair for the Department of Health.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY — HEALTH

MR. CHAIRMAN, Morris McGregor (Virden): I call the committee to order. When we last left we were starting in Item 5, Line 3, Hospital Program — pass.

The Member for Fort Rouge.

MS. WESTBURY: Thank you, Mr. Chairperson.

I hope that this comes under Hospital; the Minister may want to reply to it under Medical, and it refers to the transporting of infants, of newborns from one hospital to another. I was asking some questions a year ago about this, the fact that the most critical hours for a newborn baby, those immediately after birth, of course, and in that it's impractical to have all facilities at all hospitals, infants have to be transferred immediately after birth if there is a problem.

I understand that an ambulance is being used for this but people in the field say that is inadequate as the ambulance personnel don't have the training or the equipment to deal with these high risk births. It was suggested to me that a specially trained team with the proper vehicle and equipment could prevent many long term health problems, Mr. Chairperson, for the high risk infants by transporting them safely and quickly to a high risk centre where they can receive proper treatment to eliminate the long term disabilities.

This is something, you know, Mr. Chairperson, as the Minister knows, I'm very interested in the TASK force on maternal and child health and I'm not aware that they are at the present time looking at this particular problem. I wonder if the Minister has had any information on this particular need or any feedback or it's perhaps something he wants to refer to the maternal TASK force on maternal and child health.

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Yes, Mr. Chairman, this program does come under the Hospital appropriation. It's the High Risk Newborn Transfer and Transport Program that was announced last year, for which there was some several hundred thousand dollars approved in the 1980-81 MHSC budget.

The concept is the establishment of high risk maternity units, facilities and capacities at the Health Sciences Centre and at the St. Boniface and it would be essentially centered and administered from the Health Sciences Centre and it would involve the use of a specially equipped high risk newborn transport ambulance which would be available for high risk maternity cases in a 50-mile radius of Winnipeg and it's certainly a major objective of the Department and the Commission. It is not fully in place at the present time. There have been training programs and recruitment programs pursued in the past year to recruit and train the necessary staff also due to general redevelopment challenges at the Health Sciences Centre where there has been a major internal reorganization and there's a massive external physical redevelopment program under way. We have not found the Health Sciences Centre proceeding quite as quickly with the completion and installation of this program as we would have liked but we're pushing it and promoting it as strenuously as we can and would expect it to be fully in place within the next few months.

It's part and parcel of the general effort being made by the department and by others in the community and other agencies such as the Social Planning Council to improve our capacity in high risk

maternity and improve our performance in infant mortality and perinatal medicine very very substantially. There have been some dramatic statistical improvements achieved in the last year due in particular to work being done both at the Health Sciences Centre and St. Boniface by perinatologists who are experts in the high risk maternity field.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MS. WESTBURY: Mr. Chairperson, can the Minister tell us anything about the birthing unit at the Victoria General Hospital; how is that working out? There was a report in the paper last September to the effect that some of these mothers and babies could be discharged within 24 hours of delivering. Has that in fact proved to be the experience or is it in . . . I noticed that the birthing unit was provided through a donation from the Hospital Guild and I wondered if the government is expecting to more along this line; develop more birthing units and how, in fact, the experience is working out there.

MR. SHERMAN: I'll have to take that question as notice, Mr. Chairman, and get the information for the honourable member. I don't have any current information on that birthing unit project or concept at Victoria. It was temporarily discontinued as perhaps the honourable member knows and whether it's re-established in full, I can't say; I'll have to get that information. On the concept in general there seem to have been some interesting commentaries and prospectives on it from specialists in various parts of North America, various points in the United States which seems to be a well accepted concept in maternity and child-maternal programming.

Our efforts largely have been concentrated for the last two or three years on improving the safety of high risk mothers and infants through re-enforcement and expansion of conventional maternity facilities and programs but certainly there's no mind set against the birthing room concept on the government's part.

MS. WESTBURY: I look forward to receiving that reply, Mr. Chairperson. Can the Minister tell us whether Grace Hospital is still short of anaesthetists?

MR. SHERMAN: They're not short of anaesthetists at the moment, Mr. Chairman, but the problem of supply of anaesthetists is an ongoing and a continuing one and one that has been addressed by the Standing Committee on Medical Manpower and certainly by my office and the Commission of the specialities in medicine, and certainly anaesthesiology is one of the four that represents a considerable difficulty for Canadians and citizens of the United States, in terms of manpower or womanpower supply.

We train our anaesthesiologists very well in Manitoba and they are very attractive targets for major medical centres in Eastern Canada and the United States. It leaves one pondering the question as to whether we don't perhaps train them too well but that's another debate. Nonetheless they're very popular, very popular objectives for recruiters from major medical centres in other parts of the continent, but Grace is all right at the present time.

MS. WESTBURY: I've been asked to suggest Seven Oaks. Has Seven Oaks got an anaesthetist or an anaesthesiologist, and my information is that it's very hard to find one on a permanent basis, Mr. Chairperson.

MR. SHERMAN: I'll try and get that information, Mr. Chairman. Just give me half a minute, Mr. Chairman. I am advised, Mr. Chairman, that we have three full-time anaesthetists at Seven Oaks and four general practitioners who have taken the short course, six-month course in anaesthesiology who are capable of serving as anaesthetists at Seven Oaks.

MS. WESTBURY: Mr. Chairperson, what's the story on radiologists? Have negotiations been completed with them?

MR. SHERMAN: No, Mr. Chairman, the negotiations between the MMA and the Manitoba Health Services Commission respecting the radiological section have not been completed. That comes under the Medical Services line of the Estimates, but nonetheless, that's the situation. Those discussions and negotiations are still ongoing.

MS. WESTBURY: Are the negotiations including the costs and the fluctuation in their operating costs because of the costs of silver and that kind of thing? Is that included in the negotiations that are going on?

MR. SHERMAN: That's certainly a substantial part of it. The change in the technical component of the radiological function, cost of x-ray film, cost of silver; it's certainly a major part of it, Mr. Chairman.

MS. WESTBURY: Mr. Chairperson, there were reports to the effect that some American citizens are coming up to Manitoba and providing a tiny but lucrative trade for local hospitals and doctors, by using Manitoba Hospitals, and of course we all agree that there's good reason to come and use Manitoba Hospitals, but do we not charge back to such people? I know at one time the practise was that American citizens were billed for hospital costs, for hospital treatment that they received here. Is that not still the practise?

MR. SHERMAN: We checked those reports out at the time, Mr. Chairman, and could find no substance to them. There are however, hospitals in Winnipeg, and I suppose in other parts of the province, who serve American residents, but they are encouraged to charge the normal per diem rate plus the . . . I am advised, Mr. Chairman, they charge the cost of the service to the patient as opposed to the regular per diem rate. They charge the actual cost to the patient. We haven't been able to identify it on the basis of those reports as a real problem.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: Yes, I would like to get back to Seven Oaks. The Minister has said that there are four anaesthetists there and four general practitioners who have completed the short course. Frankly, I don't know if the Minister has, but I have received some complaints, and the complaints have

come from some of the people involved with the Seven Oaks operation who are a bit nervous about being that public on it, but I am pretty sure the Minister must have received some feedback on this as well saying that there is some concern that the anaesthetists might not be good enough, and that's a concern that's been expressed to me. I again, would like the Minister to indicate whether they have been keeping a close review of the situation here to ensure that in fact this isn't the case; that's one. And secondly, this complaint seems to be part of a larger complaint that there seem to be bottlenecks in what I would call our medical manpower. What this bottleneck has done in terms of shortages of anaesthetists, shortages of nurses, especially certain types of nurses, is prevented Seven Oaks from becoming fully operational; that you have a facility that is not operating near to capacity, and this ironic situation where a hospital is built after some cutbacks, some holdback of the building of the facility; one would have thought that this would have been held back, that this construction having been held or frozen for a while would have led to a better situation, better planning with respect to the ultimate operation of the hospital. But this holdback or freeze of a hospital construction took place at a time when there were cutbacks in the general level of funding for a hospital and medical care leading to an outflow of some of our nurses, a great number of our nurses actually and leading to an outflow or a shortage of other specialized people involved in the delivery of health care. I'd like to know then, what percentage of Seven Oaks capacity is operational?

MR. SHERMAN: Mr. Chairman, at the present time, Seven Oaks is operating about one-third capacity of the 336 beds for which it's rated or approximately 116 operative. I would wish to point out, Mr. Chairman, that nothing was ever frozen or held back in the case of Seven Oaks. Seven Oaks was . . . the piles were into the ground when this government was elected. There certainly was some question as to whether we were going to make the decision to proceed with it or not but construction proceeded while that decision was pending and the delay in construction of Seven Oaks was caused by a strike in the construction industry in the spring and summer and fall of 1978 which set the construction schedule back very substantially, but there was no government imposed curtailment on the activity at the construction site.

With respect to the supply of personnel and material at Seven Oaks, there certainly has been a delay in receipt of some equipment in the Seven Oaks administration and the hospital board would admit that and did admit that last summer, that much of the equipment that they had on order for some time was very slow in coming. Delivery dates were set back repeatedly and so the opportunity for orientation of new staff was necessarily delayed. So it was a combination of those circumstances and not any action by government.

Certainly there has been difficulty in finding the necessary number of nurses but not so great by any means as the Honourable Member for Transcona might think, because with a new physical plant like that coming into place, one of the possible difficulties we have faced is that nurses from other hospitals in Winnipeg would be attracted to Seven Oaks and

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indeed that has happened. It has not reached crisis proportions but certainly there has been some drain-off by Seven Oaks of nurses in other hospitals.

Insofar as nurses and nurse supply generally is concerned, we're in no different position than virtually every other province in this country and state, in the United States, today. There is certainly a nursing shortage. I might point out that at the present time the City of Los Angeles is short 6,000 RNs, and no doubt they're recruiting in Winnipeg and Brandon and Saskatoon and Calgary and every cold weather port you can name in this nation of ours. We're up against that kind of competition all the time but our supply of nurses and our incipient supply of nurses has improved dramatically in the last year as a result of a number of measures that have been taken and our nursing school enrolments and refresher course enrolments are all overfilled, all over-subscribed and we think we have the worst of the problem overcome.

As far as anaesthesiologists are concerned, the six-month course is recognized by the College of Physicians and Surgeons and its graduates are licensed by the College of Physicians and Surgeons, and in rural Manitoba, most of our anaesthesiologists have that kind of qualification. There certainly is a strong case that can be made for a course in anaesthesiology that is much shorter than the four-year course that our specialists in anaesthesiology take at the Manitoba Medical College.

As I said before, our graduates, post-graduates in anaesthesiology from Manitoba Medical College are extremely well-trained and extremely highly sought after as a result. But there are jurisdictions all over the world and even all over this continent, where two years represents an acknowledged standard for anaesthesiology and where the six-month course is certainly acceptable, particularly if that anaesthesiologist is working under the direction of a chief anaesthesiologist. That is a specialist who can supervise what is happening in anaesthesia in say, three operating rooms at the same time. You don't need a specialist necessarily in all three operating rooms, but you can certainly meet the requirements of the standards of care with a supervising anaesthesiologist and then the technically trained anaesthetists who have had this six-month course. It won't only be Seven Oaks where we will be using anaesthetists with those shorter training qualifications. I think in fact, Mr. Chairman, that we probably have to be looking at a shorter training qualification in this specialty in general.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: The Minister raised an element there that necessitates a response on my part. The nursing shortage exists in other parts of North America that are experiencing some fairly acute population growth. What we're finding in Manitoba is that we have a nursing shortage at a time when our province is experiencing unprecedented population decline and out-migration. Part of the problem and part of the cause of that out-migration was in fact the government policy from 1977 to about 1979; that helped contribute to the out migration. When we've sat down with nursing organizations, we talked to them in a concerned manner about the nursing shortage, and they say that the major cause was the

acute protracted restraint of the government itself in the funding of hospitals, and that led to a psychology of pessimism, of not feeling wanted by the government, and that more than anything else led to an out-migration of nurses along with a whole bunch of other people from this province.

Now I think if I look back on Hansard and the statements made by my colleagues, the Member for St. Boniface, the Member for Seven Oaks, they were predicting this type of situation to the government. They were saying if you do this type of thing you are going to face these consequences two or three years down the line.

One direct graphic consequence of this is a multimillion dollar hospital facility which after a lot of delay is only operating at one-third capacity. So, I think the government does have to take the responsibility and be held accountable for their shortsightedness in this respect; trying to give the impression to the public that there was all this fat in the health spending, which is the major area of government spending; that somehow they would come in and turn all this around.

The truth of the matter is that there was very little if any fat, and that by going ahead and trying to show their backers that there was fat, come whatever, — I was going to say hell and high water, but, Mr. Chairman, I know I can't say that so I won't — that the program was cut to the bone, and we now have the consequence of under-utilized capacity which costs the taxpayers a fair amount of money.

That's the point I wanted to raise with respect to Seven Oaks in particular and to the nursing situation in particular. It makes me wonder why it's not possible for the government to act as a better co-ordinator between the hospitals. We know from a lot of complaints that we receive, and I am sure the Minister receives, that a lot of elective, and in some instances what other people would call emergency surgery, is not being done because of a shortage of beds in other hospitals.

I just got a letter here of a person whose father stayed out in emergency for at least a day lying on a stretcher suffering from internal bleeding supposedly. These are the types of complaints that I get, my colleagues get, and I am pretty sure the Minister must get, and I can't understand why it's not possible to provide a better co-ordinating role to possibly put some extended care patients into Seven Oaks Hospital on an interim basis, thus freeing up some acute care beds in other hospitals, or why it wouldn't be possible to possibly allocate staff on a rotating basis into Seven Oaks to make better use of its facilities.

It just seems that we have these bottlenecks, and bottlenecks in my estimation are the logical consequence of acute protracted restraint, that we can't seem to get ourselves out of at present, and it might take three or four years to do so, but in the interim a lot of people suffer, and that's why I think the government, through the Manitoba Health Services Commission, has to take a more aggressive role in ensuring co-operation between the hospitals.

MR. SHERMAN: Mr. Chairman, we never had any indication from the nursing profession or from the Manitoba Association of Registered Nurses that the shortage of nurses, which crystalized in Canada in 1979 and 1980, 1980 really, was related in any way

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to the budget of the Manitoba Health Services Commission or the Manitoba Government in the health field, other than that certainly nurses were beginning to feel themselves at a disadvantage in terms of wage levels and income levels, and they had been held in constraint under AIB for a lengthy period of time, then they had had a catch-up coming out of AIB but then had subsequently got into a two-year contract which contained them while other fields were moving ahead in terms of income.

Apart from that, which was an understandable grievance which all of us feel from time to time in our respective vocations, we had no indication from MARN, in fact quite the opposite, that the nursing shortage was due to the budget of the government in the health field.

In fact, we worked very hard with education authorities including probably the best-known expert in nursing and nursing training in Manitoba, Dr. Helen Glass; Dr. Ralph Campbell, the President of the University of Manitoba; Dr. Arnold Naimark, Dean of the Medical College, soon to be the President of the University of Manitoba; and others on this very subject. If the Member for Transcona has a solution to the cyclical supply in the field of nursing, there are a great many people who would like to hear from him. Those experts advised me and my officials that this was something that no one had ever been able to resolve in the nursing field. The problem is if you get a shortage, you get school counsellors, guidance counsellors and others encouraging young women, and unfortunately not enough young men, in high schools to seek nursing as a career, and as soon as a surplus builds up, which is what happened in 1976, they stop all such counselling; in fact not only stop it they reverse it and they advise young people not to go into nursing as a career and this has gone on cyclically for decades in the profession. We now have a Standing Committee on Nursing Manpower being set up which is being asked, among other things, to deal with that rather unique condition in the nursing profession.

On the subject of Seven Oaks, I can only add, Mr. Chairman, that Seven Oaks has moved into low gear and is moving into high gear no more slowly than any other major hospital in any other major city. All new major metropolitan hospitals take anywhere from two to three years to phase into full operation after completion of construction, and Seven Oaks is certainly not behind in terms of that kind of schedule.

MR. CHAIRMAN: The Member for St. Boniface.

MR. LAURENT L. DESJARDINS: Mr. Chairman, on the question of nurses, this is another issue that I don't expect the Minister to agree with the mistakes that he and the government has made. I think we had an example of that last week, and I don't think that all of sudden the Minister will admit, but there is no doubt, and that was made quite clear at the time by a public statement by MARN and when we looked at the budget, that the government would have problems with the nurses. It is definitely certainly not all the fault of the government, there is no doubt about that either. But the question of pay was one thing, and then there was this restraint, that they weren't going to pay the nurses any more. At the time there was a surplus, and you were told in no

uncertain terms, fine, that a day would come, you were told by MARN also the day would come, fine, everybody was afraid of the time because there was a surplus and the supply and demand would change and you would have to pay through the nose and that's exactly what happened.

One of the big things, there is no doubt that the pay is an important thing, because a few years back we had a shortage also, and there'll be more shortages; we were going through the same thing of setting up committees and so on and then all of a sudden there were negotiations, there was a big increase and then all of a sudden things settled down. That's probably the most important thing, but it is not the only factor, Mr. Chairman, and the fact was that the pay increase they felt they should have had wasn't forthcoming. They were practically told to go somewhere else; the government was very, very tough in those days, it didn't need people.

But then the main thing, and I think this is what the Member for Transcona is talking about, it is the working conditions. MARN said that from Day One. I remember a meeting with them and some of the statements that were made in 1978, they figured that you're going to lose the nurses, they were asked to do things — first of all, there was a shortage, there never should have been a surplus. Because of the tight budget in the hospitals, you were cutting down on nurses in certain areas, there was enough to fill, we could have hired all the nurses, there weren't that many of a surplus. Then they started getting a load that wasn't fair; the same as they're having right now in some personal care homes and still in certain hospitals. The working conditions are very very important to people. They feel that it's a profession and the Minister, rightly so, stands up and takes notice if the medical profession makes statement like this, and it is the same thing with the nurse. There is no doubt that then the Minister started working with the University, nobody is denying that, but it was a little late then and that's only correcting one part of it. There's the wages, there's the education, and there's recruiting, but there's also working conditions, and it's very important to anybody — Politicians, doctors, nurses, anybody — and the working conditions were not that good — they're a little better now — and some of it was because of restraint, it's bound to be. You can't have restraint like that without that being a factor.

Mr. Chairman, maybe this is the right time to ask the Minister what kind of an increase in the percentage increase the hospital will have in the budget for this year? Has that decision been made yet?

MR. SHERMAN: Yes, and I'm glad the honourable member asked that question, Mr. Chairman, because I don't think I've announced it. It's 13.5 percent, Mr. Chairman.

MR. DESJARDINS: That's the budget of the hospital.

MR. SHERMAN: And the personal care homes. Hospitals and personal care homes, 13.5 percent.

MR. DESJARDINS: Now is that 13 for each individual institution or is that a global thing which may be varying from rural to urban areas and from

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larger hospitals to smaller hospitals, could we have some word on that please?

MR. SHERMAN: Yes, Mr. Chairman, you can have some word on it. No, it is not the ironclad figure for every facility. It's the global figure in our operating budgets for hospitals and personal care homes this coming fiscal year. There will be variations depending on the size and the patient load and the responsibilities of individual facilities.

MR. DESJARDINS: Would the Minister then be candid enough to admit then that maybe we had a point when we were criticizing the Minister for an increase of 2.2 with no formula at all, and all of a sudden, following a bigger increase last year and an increase of 13 percent from two years ago or three years ago, from 2.2 to 13 percent where the inflation was going in the same area, and if anything, if there is any reason if you look at the economic situation there should be more reason for restraint. So that part certainly hasn't changed. What is the explanation of that? Why go from 2.2 and feeling that this was quite right, and now you're talking about 13 percent?

I'm not criticizing the Minister for the increase of 13 percent, I want him to know that, but I mean, whenever we felt that it was too low, we were saying that we're alarmists or trying to create problems, and now, 13 percent, I'd like to have some word of explanation on that.

MR. SHERMAN: Mr. Chairman, I'll certainly try. It wasn't 2.2, it was 2.9 and it wound up at 4.7, I believe, or 6.4. But it was announced at 2.9 to begin with, that's correct. I think it wound up at 6.4 that year.

Nonetheless, the honourable member's question is still valid. The answer lies on about three different planes. One is, we believed, in our last years in Opposition and our first months in government, that expectations were unlimited in Manitoba, not only in the health community but in society, throughout society and throughout the economy generally. It was obvious that more difficult times were coming; it was obvious that there were going to have to be extreme efforts made to produce the kinds of revenues that were going to be necessary to maintain the programs that were in place, and to meet outgoing spending commitments through the 1980s, and we felt it was psychologically important to put a break on expectations.

We also felt it was necessary at that time to put the system, including the government, through a very rigid budget examination and evaluation exercise, through a very rigid accountability exercise, to look and see where there might be expenditures that could be contained, if not curtailed. In fact, as I said at the time, and I have never deviated from it because hospital administrators and board members have repeated it to me, it was a healthy exercise to go through, Mr. Chairman, for a year. It was a healthy and necessary exercise to go through for a year.

The other part of the answer lies in the conditions then as opposed to the conditions now. At that point in time we were either still in AIB or barely coming out of AIB and the province was not faced with the kinds of wage demands and wage responsibilities that we have to meet today and have moved to meet

in the last year with CUPE in respect to the support and service workers in the health facilities; with MONA, in respect to the nursing profession; and indeed with the medical profession, and the situation with the medical profession isn't finished yet.

I might say that in looking at the increase in the hospital's budget for this coming year, a substantial portion of that, many millions of that, goes to meet the new CUPE service workers contract and the new MONA contract for the nurses. I know that the Honourable Member for St. Boniface knows that 70 percent of the costs of operating a hospital is salary, and when you have to meet the wage requirements that we felt we had to meet, and you're looking at tens of millions of dollars to meet them, it contributes to a fairly substantial necessary increase in the budget and that, in a large part, explains the 13.5 percent.

MR. DESJARDINS: Well, Mr. Chairman, I thank the Minister for now throwing my speeches back at me. This is what I was telling him then, exactly the same thing and I also use 70 percent of wages and I've talked about the increase of the supplies and the devaluation of the dollar and the increase in food and so on. That situation was there; now the Minister said it was a healthy thing. I think he's saying the only healthy thing, if anything, was that it was a warning. It was chastising these people; taking it for granted without really knowing that they weren't fair, that they were asking for too much, and nearly flushed the baby down the drain with the bath water when you did that. That's one of the things that we were talking about a while ago why you had trouble with nurses.

Now, Mr. Chairman, the 2.2, if that had been arrived at, I remember that we asked for the formula and the Minister said well, to our big disappointment because he always promised that when the time comes he would tell us the famous formula and the situation was that they had asked I think it was 13 percent and the Minister said we have a choice between 0.13, we decided on 2.2 and that was the formula. And the Minister said 2.9, right, but it was 2.2, because there was something, what is the . . . I haven't got the name; the money that they put in that they keep, a certain amount of money to keep to buy new equipment, so it came to 2.2, actually. We told the Minister then it won't be 2.2, there is no way. The Minister was making a lot of noise though saying that it will be 2.2 and we said no, there is no way that you can keep these things open, even with all the restraint in the world, with all the threats in the world, with everything else and then the Minister now is saying, "well it wasn't that", but in those days he was saying yes, we stuck with that and he played games and we told him he played games with the basics. So you can say 2.2 and if you just say the basic will be raised at something else, but even then.

Is the Minister saying now that the economic conditions of the world, in Canada and especially in Manitoba has improved since then, that we're in a better position to pay that? I think they paid lip service, the big smile, and when Reagan talks about his policies and the government was going to do it here and 13 percent for 2.2 doesn't make such sense.

Mr. Chairman, you can teach people a lesson when you know that something is wrong but it's dangerous

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to teach people a lesson and then you hurt the standard of care and that's exactly what happened. It was such a high standard that, fine, we're fortunate, it is still pretty good, but it was in danger of going down and it was going down; there's no doubt about it at all. And this thing now, you know, the Minister said 2.2 or 2.9 or 4, whatever it is, there was no basic for that at all. The Government took over in October and the same month there was an interview and the Minister of Health said, "the first thing I have to do, I have to cut down". I'm sure and he'll be the first one to admit that he wasn't familiar with his department, but he made the statement and I can find that statement because it shocked me when I saw that. He said, "the Minister of Finance instructed me that I've got to knock off \$10 million from this budget," and that was it, that was it. You know, . . . of course, there were all kinds of scandals in this department like everything else under the former government. We were throwing money at problems, but that later on the Minister was honest enough and fair enough to say that hadn't been the case in this department.

My point is, I'm not chastising the Minister now but you know in those days we weren't reasonable when we were doing that and we advised the Minister that there would be some concern and this is what's happening now because we're not in a better position of restraint that we're forced to do now. Some of the problems we had, the Minister said there were wages but there were some of the contracts and the people were afraid. You remember when the restraint came in and a bunch of civil servants were fired and the people were afraid of their jobs and there was no pressure at the time; maybe they won that one but I'm saying it was a shallow victory. It was a battle, it wasn't a war and you're paying for it now because now the people have you and you're going to have a hard time settling the strikes with the doctors and with everybody else. If they would have had an increase at those times and if the nurses would have had an increase, all right, if you didn't want to re-open contracts and the ceiling. There was no ceiling when you took office, that was gone, the ceiling, so some of these contracts were, I don't know. Anyway, as I say that's a no win thing. I don't expect the Minister to say, yes, we were right but nevertheless I'll say that I'm very pleased, I think that we gave this department a good ride. We worked very thoroughly and I think we'd like to take a little bit of the credit for some of the improvements in this and I won't say to the Minister that you're throwing money at problems; I think that this was due.

Now, Mr. Chairman, I'd like to have some information on Seven Oaks. The intent and the plan was that the Minister said, I think there's one-third of the total beds that will be some day in operation; there's one-third now operating now. Now the intent was when that was opened, when all the beds were on stream that there would be certain beds closed at the Health Sciences Centre when they were rebuilding in their program. I don't imagine that is the case now if there's only one-third in operation but is that still the intent when and if Seven Oaks operates fully; will there be a closing of some of these acute beds or short-stay beds at the Health Sciences Centre to permit them to go ahead with their

program, and how many will that be? Is that changed, is that varied? In other words, the intent, the policy of the then government was not to create more of these beds but to replace those that were not working too well and of course I'm talking not of those beds and I'm not talking about the number that are operating or were operating, I'm talking about those that when everything is open, not when wings are closed; now it the policy changed since then?

MR. SHERMAN: No Mr. Chairman, that's still the policy. Some of them are closed but then some of them have been re-opened in a special personal care unit at the Health Sciences Centre, a 63-bed personal care unit, but those patients will be moved into new personal care beds as they come on stream this summer.

MR. DESJARDINS: Mr. Chairman, what is the jurisdiction now in hospitals and I'll come right to the point? The Board of the Seven Oaks Hospital in a very close vote decided that they were going ahead for abortion. Is that left strictly to the hospital; does that have to be approved, that service, all services in every hospital have to be approved by the Manitoba Health Services Commission who no doubt check with the Minister? What is the score? Is the Minister have anything to say on that? Is he satisfied with that service being performed there? Does he feel that there should be more or less of it and is it all in the hands of just the board of that hospital or any other hospital or has the Commission anything to say about that?

MR. SHERMAN: Well, Mr. Chairman, the designation of a hospital authorized to perform therapeutic abortions comes from the Minister under the Criminal Code; as the honourable member knows, a hospital board can make the decision on the advice of its medical staff and the position taken by its board that it feels it is necessary to have a capacity for performing therapeutic abortions, under a Therapeutic Abortion Committee, which is made up of specific designated professionals and the board can then ask the Minister for designation, as a hospital qualified to perform therapeutic abortions under the aegis of that committee.

So the initial position really rests with the board under the Criminal Code and as the honourable member knows, the board originally was preponderantly of the opinion that is what they wanted. They felt that service was necessary in the community and in the province but that situation has changed very dramatically in the last four or five months and as the honourable member points out, when a motion was put to the board to re-state its position on the subject last week, it resulted in a very very narrow vote favouring therapeutic abortion.

There are only two hospitals in the city at the present time which perform therapeutic abortions, The Health Sciences Centre and Victoria General.

MR. DESJARDINS: I gather that the Minister is going along with the, I don't think he has too much of an alternative, with the Criminal Code in that we would and he's not allowing and he's not encouraging abortion on demand, and I would wonder if I could ask the Minister to check that

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committee, therapeutic committee, to make sure that they're not people that are, because there are some people that favour some doctors who favour abortion on demand and others that don't, that at least there's a cross section that at least we don't open up more than is the intent of the Criminal code at this time without changing the law, federally.

Can I ask the Minister if there's anything new at Deer Lodge? You know, I talked about their lodge for three years. The Member for Seven Oaks talked about it for years and this Minister has talked about it for many years. Is there anything done? The Federal Government at one time were quite eager to get rid of all these hospitals and I think that they were making some fairly interesting suggestions or even offers, I think that we had done a lot of that negotiating. I think one of the things that was left was the question of the Legion and we had felt at the time that this is something that the Federal Government should solve, that we weren't going to take their political partisan, well political, those kind of political problems and of course we were ready to meet the needs of the Legion and the veterans if we did take it from the government, if the province did take over Deer Lodge. Now I know the Minister has had permission, I think he was denied certain permission to use it, or he said that he wouldn't get permission, but he did get it in other areas, I think that the Federal Government has allowed us to use it to help the situation here. In other words could the Minister have some kind of a progressive report on Deer Lodge, if there's anything to report?

MR. SHERMAN: Yes, Mr. Chairman, first I would like to say on the abortion question that there is one extenuating condition to that which I have just outlined to the Honourable Member for St. Boniface. The hospital board only has to ask the Minister for the designation to which I referred until the hospital receives its accreditation. Once the hospital receives its accreditation, it can make the decision on its own and accreditation generally takes from one to two years, I believe, one to two years after it's open. Well, it opened officially in January.

On that point I would like to say, Mr. Chairman, and I'm sure the committee knows, but I'd like to repeat that I am strenuously and unalterably opposed to abortion on demand. I'm opposed to it on religious grounds and I'm opposed to it on moral and ethical and social grounds and I think committee members know that I made my position clear and unequivocal at the time of some discussion and debate about the establishment of a free-standing centre for reproductive studies that was to be located in central Winnipeg, independent of the campus of the Health Sciences Centre.

I appreciate and respect the opinion of those who argue that there are cases where abortion is necessary. I would hope that they similarly appreciate and respect the argument of those who say that the question of the sanctity of life comes into this whole debate and it surely deserves very substantial weight in everyone's consideration. I'm not a member of the Catholic Church, but I oppose abortion on religious grounds and I don't mind saying so and repeating it.

Nonetheless, I would have to concede that, as Minister of Health, I'm Minister of Health for all Manitobans and there are heart rending problems in situations in which I think a case can be made for

therapeutic abortion, so I have not argued too strenuously against therapeutic abortion; rigidly and religiously administered and controlled, but anything beyond that would meet the implacable resistance of this Minister and this government.

On the question of Deer Lodge, I can't report a great deal of progress, Mr. Chairman. We have attempted to permit the decision to be resolved in the arena where it rightfully belongs and that is between the Department of Veterans Affairs and The Royal Canadian Legion and those negotiations and discussions are still going on. As the member knows, many veterans' hospitals across the country have in recent years been turned over by the Federal Government to their respective Provincial Governments in each case, the most recent one being I think the Colonel Belcher in Calgary and if I'm not wrong, Deer Lodge is the last major veterans' hospital in the country, which is still operated under The Department of Veterans Affairs and very closely associated with The Royal Canadian Legion. There may be one other, but certainly we're either the last or one of the last and the Legion rightfully has a very keen interest in the future of Deer Lodge and in the future configuration and disposition of the beds there because they're looking to what they feel is probably a coming surplus in terms of demand for medical services for veterans on the basis that many of the veterans of World War II are at middle age, and some of them are approaching their elderly years.

We would like to — I'm not including anybody at this table, Mr. Chairman — but there are some around, they tell me, who are moving into their 60s.

We would like to get the Deer Lodge situation resolved because it's a good physical plant, it certainly requires some renovation and upgrading that would cost several millions of dollars if we're going to use it as an extended care hospital. (Interjection)— The Honourable Member for St. Boniface says the Feds would pay for that. That's true, but how much would they pay for it? Part of the discussion has foundered on that question as to how much they would be willing to pay us to take it over and renovate it as an extended care hospital.

We have an engineering study under way at the present time, which is intended to project a cost of renovation for us. I think the last official figure that the Federal Government was bandying about with us was \$10 million, but that was some time ago and we believe that the costs to us would be substantially in excess of that and we would want a much better deal than that.

The other key point on which the whole subject turns at the moment is the question of priority beds and the legion's request for a large number of beds to be held in reserve at the hospital for veterans. Bed use at the hospital right now runs at about 250, but the hospital is rated for about 450 beds. The legion is requesting a very substantial number of those beds for veterans' purposes and we, of course, from our point of view, are prepared to entertain that kind of arrangement provided the Federal Government continues to accept the responsibility for the operation of those beds. We want a substantial number of beds there for our own use, otherwise it is of no use to us as a general community hospital for extended care patients.

So at the moment, Mr. Chairman, I can't report any progress; I can't report anything other than

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hope, but the Legion and the Federal Government are still in consultation on the matter. We are in consultation from a position on the sidelines and hoping that it can be resolved with a fair price from the Federal Government for us to take it over with agreement from the Legion — and this is absolutely fundamental — agreement from the Legion that they are prepared to have us take it over, provided a certain number of beds are reserved for veterans, and with assurance from the Federal Government that they will fund those veterans' beds.

We are getting good co-operation from the Federal Government, Mr. Chairman, on the matter of temporary use of a number of those beds for personal care. We have opened, under the aegis of the Fred Douglas Lodge and the Presbytery, which operates the Fred Douglas Lodge, we have opened a special personal care facility of 32 beds in Deer Lodge, and we've had excellent co-operation from the officials of Deer Lodge and from the Federal Government in that respect.

MR. DESJARDINS: Mr. Chairman, I'd like to ask the Minister how many patients, that should by rights be occupying personal care beds, are still in the hospital; that is, first those that are being panelled and therefore that are being charged the per diem in all hospitals in Manitoba and then others that have not been panelled yet, but are there only because there's no room for them anywhere else and they can't send them home for a number of reasons?

MR. SHERMAN: Mr. Chairman, the total number in hospitals occupying acute care beds panelled for personal care is something under 400. It's less than 400, but one could say approximately 400. Approximately 175, give or take a half dozen, in Winnipeg, and the same number in rural Manitoba. The total waiting list for personal care beds in the province is approximately 1,800 and that's divided pretty well equally between urban and rural applicants.

MR. DESJARDINS: Mr. Chairman, are those 400 part of the 1,800, are they considered on the waiting list, or, because they are receiving the service are they not, and how many, I ask the Minister, are you talking about 400 that have been panelled now and should be in personal care home, are they all being panelled? And if so, what about the others that have not been panelled, either they are not getting that rate that they need the care, but because of some other factors, for instance nowhere to go and so they're still in the hospital?

The next question, I might as well ask you now, is the concern also that the hospitals, by the time they say, okay, these people better be out by a certain time or they're going to be charged so much, \$100 a day or so. Now, of course, once they've been panelled — at times they're doing that to scare the people, I'll grant you, but they're doing it — and the people that have been panelled, well then there's no problem. They are considered occupying a personal care bed? That's why I want to know what the number is.

MR. SHERMAN: Mr. Chairman, the 400 are part of the 1,800. They've all been panelled. With respect to the others, our paneling procedures continue on an

ongoing basis. Panels are held about every two weeks on an ongoing basis, but I'm assured, Mr. Chairman, that there is no attempt of any kind made to panel patients who don't require paneling. That is to say, that there is no pressure being exerted on those who are occupying beds in hospitals to bring them under the obligations of the personal care per diem. They're only panelled when a physician and a family requests that they be panelled for personal care.

Insofar as the other 1,400 are concerned, most of them are, of course, at home, and they are on the waiting list. For all I know, the Honourable Member for St. Boniface may be on that waiting list.

MR. DESJARDINS: I'm anticipating, but not this early. Mr. Chairman, the Minister misunderstood part of my question. I never for a minute wanted to suggest that there was pressure to have them panelled and to have them declared as needing this care, that's not what I was saying. I was saying that if they haven't been panelled, or if after being panelled they weren't placed on that level of care that requires personal care homes, I was saying that there has been pressure on the hospital to have them removed from the hospitals and at times, not because of health reasons as much as social reasons, they haven't been able to get anywhere, then the pressure was put on these people by receiving a letter from certain hospitals that they would have to pay the per diem of \$100 plus. That's what I was concerned about. Has the hospital the right to do that and what's the score on that?

MR. SHERMAN: Mr. Chairman, I'm advised that the hospital has the right to do that, but my Commission officials tell me they don't know of any single instance in the last two years in which that's been done. It's a matter of co-operation between the hospital and the patient and his or her family and that has not been done.

MR. DESJARDINS: That depends. If you say they haven't collected, fine that's what I want to hear, but don't say that it hasn't been done, that they haven't threatened and sent letters, because they are doing that all the time.

MR. SHERMAN: Mr. Chairman, it's true that we have difficulty with long-stay patients in acute care beds. I am not disputing that, but they have not been charged for those beds.

MR. DESJARDINS: One last question, I think there is lots of people that want to ask questions also; the physiotherapist, I think that's a program that's working well in the hospital. It is covered under hospitalization in certain hospitals. Most of the major hospitals now they all have that service, and there is still a long list there too. It takes quite a while to get there. You have to be, of course, referred by a doctor and it takes a question of months at times to see an orthopedic surgeon, and at times even after you have an appointment like I had this morning, after waiting three months, the orthopedic surgeon wasn't there, and I left an hour after getting there and there was four ahead of me. I left an hour after my appointment was going to take place, and I think that is a problem in itself. Either maybe we should

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start recruiting there or maybe we should look at the system, and give these people a bit of help, maybe allow the physiotherapists to do a bit more, because right now the medical profession, like it or not, but they are pushing these people into the hands of the chiropractors, because when you have a sore back and so on, if you have to wait three months, you can't move until you see an orthopedic surgeon and then when you get there for some reason the appointment is cancelled and you have to wait another three months, and then you wait two or three months before you're put on a program at one of the hospitals that have that; by then you will either be dead or you won't give a damn, it will be a little late.

So it seems to me that should be looked at. This is not a criticism as such, but I think that it is a problem and it warrants the Minister to have a real good look at that and to see if they can improve the situation. I know that the physiotherapists have asked that they should be covered, and that's a dangerous thing. That's another debate; I think maybe there should be some coverage, but not necessarily the way they are suggesting it, because then it's not just a question of paramedical, they would want to be on the same level as a doctor for getting fees, and I think that is too costly for us at this time. It seems to me that maybe they should, to relieve the situation or so, it might be that the Minister might look at maybe if there's not enough in the hospital, if these people are very busy, to maybe open certain areas; not necessarily let the people open it on fee-for-service, but maybe open other clinics. There is no doubt that people have to wait for that service, and this is something that you just can't wait. You lose a lot of time at work and so on, so I wonder if the Minister would look into that and maybe report to us later.

MR. SHERMAN: Yes, I can certainly do that, Mr. Chairman. I would just like to say that what we are attempting to do in this area is expand our capacity by adding physiotherapists to the out-patient departments of hospitals. In 1980 we added seven physiotherapy positions to hospital budgets and we are continuing to . . .

MR. DESJARDINS: Are the facilities there too? If they can bump into each other in certain area I think that — you have more facilities then?

MR. SHERMAN: Yes, and one of the new programs this year is expansion of the Physiotherapy and Occupational Therapy Department at the Victoria General Hospital, which will bring it up to the required levels, and make it competitive with many others. Seven Oaks has one.

MR. DEPUTY CHAIRMAN: The Honourable Member for Elmwood.

MR. DOERN: Thank you. Mr. Chairman, there's two issues that I wanted to raise with the Minister that I have been involved with and have drawn to this attention before.

First of all, I want to give him credit for adding orthopedic shoes to Medicare coverage. I think that step is overdue. I suppose it's partly a matter of dollars, but I know that the Minister's been aware of

that problem all the year's that he has been Health Minister, and finally seen fit to move on that particular issue. I want to discuss a couple of specifics though with him in that regard and they grow out of a particular case, which was drawn to my attention by constituents in Elmwood last September. At that time in October I then made a public statement and briefly met with the Minister and since that time have been urging him to include this in Medicare and that is because of the fact that a young boy in primary grades, his family has had to pay \$200 for a pair of orthopedic shoes. This is, of course, a tremendous cost for an average working family. I don't know what average shoes are exactly for children. I have an eight-year-old daughter, and I guess her shoes run around \$25 a pair and sometimes higher, but for an average working couple to pay \$200 a pair is indeed an exorbitant amount of money. (Interjection)— That's right, the Minister says they will more expensive yet, but they won't be \$200 a pair.

I am just saying that when you look at the amount of money that would be required to buy these shoes, it's exorbitant and when you consider the fact that any child requires more than a single pair of shoes, then you are getting into some big money.

I want to show the Minister an example here. I brought these particular boots to show the Minister, and the amazing thing is, these are both of different size and they fit in some complicated way because of the fact that the child's feet are not normal. But they are very small shoes, and the thing that intrigued me when I first discussed it with the family was that essentially they are simply normal leather shoes. There is no device inside made out of metal or anything else. They are simply an ordinary leather pair of shoes, and I cannot for the life of me see why —(Interjection)— Yes, they are specially made, they are custom made. They are made in Toronto and they cost \$202.00.

One of the points I want to say to the Minister and draw to his attention is the fact that when you consider this amount of money for that kind of a shoe; first of all, it strikes me that there is something wrong with the charge, and I wonder whether it wouldn't be possible, given the fact that hospitals and organizations and agencies and individuals in Manitoba order these, several hundred — well I don't know about several hundred pair a year, certainly several hundred pair a year in terms of orthopedic shoes, as to how many are custom made, etc., I wouldn't know — but I am simply saying to the Minister, the present procedure apparently is, or was when this person wrote me last September, you go to Deer Lodge Hospital, have an impression made and a last is made and sent to Toronto, then it takes several months and then they are custom-made and returned. It strikes me, you know, I don't know if this is a rip-off or whether this is what costs are incurred, but for the amount of leather and the fact that there are people around who presumably can make shoes of any kind, surely there are people in Winnipeg, either in the hospitals or in the community, who could actually make these if they were guaranteed or if it was indicated that they could receive orders of a certain quantity, so many dozen or a hundred pair per annum.

So that's really my first question which I asked of the Minister today in question period and that is,

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would he look into the cost. You know, he's now going to cover half the cost of shoes, he's going to pay 50 percent of stock shoes to a maximum of \$20, 50 percent of shoes for children with different size feet to a maximum of \$30 and 50 percent of the cost of custom made shoes to a maximum of \$100.00. So that on a pair like this, he would be paying \$100 and the people in the family would also be paying \$100.00. It just strikes me that that is too much money to be paying in total and I would like him to have somebody detail this matter and see whether that price couldn't be brought down significantly which would be a saving to individuals and to the government, also whether or not they could be made in Manitoba; so that's what I wanted to ask the Minister first of all.

MR. SHERMAN: Certainly I can explore that, Mr. Chairman, and I would be happy to explore it with the Honourable Member for Elmwood and go on from there. Of course, as is the case with many products if not all products, one is controlled in what one can do and limited in what one can do by the market and by the costs of production that go into these various products.

The rationale behind the formula for ensuring up to 50 percent of the cost of these shoes is really twofold. First, that if we were to go beyond that figure of 50 percent, we could be putting the program in a position where it could be exploited unnecessarily by manufacturers who simply elevated their prices on the grounds that the Manitoba taxpayer was going to be paying for all these things. Secondly, and I don't say this facetiously in any way, because I fully appreciate the difficulty that parents have when any of their children have this disability, but shoes constitute a considerable household family, clothing and maintenance cost for all parents; shoes for all children, whether with disability or without disability, and so it didn't seem to us that it was fair to the average parent in Manitoba to be covering the costs of shoes in total for a particular group when obviously no one is suggesting or contemplating that we cover the cost of all children's shoes. That's the rationale for the 50 percent figure.

We are advised that in the category of children in Manitoba who may require stock orthopedic shoes, there are approximately 1,620 such children, 1,620, and that the average cost of those shoes is \$40 per pair with alteration costs averaging \$8.00 per pair. The cost of custom made shoes range, as the Honourable Member for . . . I'm sorry, I wasn't pausing on that, I know it's the Honourable Member for Elmwood, I was pausing on my material, over my material — custom made shoes as pointed out by the Honourable Member for Elmwood ranges from \$100 per pair to \$200 per pair and there are approximately 50 Manitoba children at any given time in this category and the cost of orthopedic shoes for children with different size feet who have to be supplied with two different size shoes, is \$60 per pair plus \$8.00 for alterations and there are approximately 130 children in that category.

This is a start, I believe, Mr. Chairman, in helping to relieve parents of children with this disability from some of the onerous burdens of that disability. It's not necessarily the end of the parameters of the program. We could be looking at broader parameters in future years but we wanted to get it

launched and it seemed to us the rationale was reasonable.

MR. DOERN: Just one final comment there, Mr. Chairman, and that is that as I said, we have different estimates of how many children will be affected. In the press release the Minister indicated 1,800 children, but whatever the number, I hope that there'll be some method of contacting the people who could access the program because I don't know whether all government agencies and private agencies have been informed of this specifically, and if not, then I think the Minister should ensure that they are, so that people aren't still ordering and still paying for these shoes without realizing that the program is in place.

Mr. Chairman, I wanted to turn to a second issue and that is the bed shortage in Manitoba hospitals. I drew a couple of instances to the Minister's attention before and I'm concerned that by the kind of response that I got, that this situation remains unchanged. I think part of the reason for the bed shortage in Manitoba hospitals, is the fact that there aren't enough nursing home beds and I gather that there were some 300 nursing home beds that were cancelled by the administration and the result is, there's a backlog of beds in the hospitals and the result is that people who require surgery are being forced to stand in line and wait longer and longer periods; or people who have heart attacks or people who require emergency treatment are finding themselves in positions which I think are unacceptable in a province which claims to have a first rate medical system. I think there are some loopholes and as my colleague from Transcona said, some bottlenecks. This is certainly one of the most important and severe bottlenecks and I want to go over two instances that I raised with the Minister in the House and all I have from him to date, is a letter saying, that I will hear from him in the future. Well this is not what I would call action and it certainly doesn't remedy the problem.

I want to remind the Minister of two of these cases where an elderly gentleman, 84 years old, I choose not to use his name, but I did give his name to the Minister, went into St. Boniface Hospital in late November of 1980, had a heart attack and spent the evening in some holding facility that the hospital has, which I think largely consists of a room full of stretchers. I think that most people when they're in Manitoba and they have an emergency and they go to the hospital, they expect to wind up in a bed. I mean maybe that's an illusion, but it certainly is one that any average person walking the street holds. Namely, they expect that when they go into the hospital for treatment or emergency care or something, they're going to have a bed, not a stretcher and certainly not a stretcher in a corridor or not a stretcher in a draughty room. I'm simply quoting from the family of the individual, as I said an elderly gentleman, had a heart attack, went in overnight, was kept in effect in a so-called observation unit or holding area, that presumably he found uncomfortably cold and draughty. No, I'm sorry, I think I should say that this was perhaps a combination of circumstances. My memory is becoming clearer as I'm talking. He had pneumonia perhaps. Perhaps it was pneumonia, rather than a heart attack and this was a complication, in the

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sense of whatever he required was certainly a warm room, and when he discovered the circumstances he only wanted to do one thing, and that is to get out of the hospital, so he was allowed to leave the facility. He suffered a relapse a day or so later and refused to go back into the hospital and the result is that he passed away at home two days later. Now that's one example.

The other example is a letter I received from a constituent of mine; I'm going to pass this up to the Minister. He had a copy of that earlier and this was written by a lady in my constituency, a senior citizen who was supposed to have a cataract operation and I want to read a couple of sentences or paragraphs from her letter. She said that quote, "I am virtually blind in my right eye and I'm losing the sight in my left eye. Unfortunately this type of surgery is considered to be elective." And she said, "I will not be scheduled for surgery until January 1981 at the earliest, because of the shortage of beds at Misericordia Hospital, out of which her doctor operates, and she said, I feel that this appalling." Incidentally she wrote me since then and told me that she wouldn't be able to have her surgery until early February; it was delayed even longer.

Well, the Member for Minnedosa is going to offer his spot. He almost was operated on.

Mr. Chairman, she then addresses the Minister personally and says as follows, "You have repeatedly stated in the press and to the media that health care in Manitoba is extremely good and that Manitobans are enjoying a high level of health care. I wish to disagree with you. I for one, by having to wait a minimum of four to five months, am not enjoying a high level of health care." And then she says this which I think is the most powerful part in the letter, she says, "Because cataract surgery is elective, I am denied a hospital bed. Let me assure you, Mr. Sherman, going blind is not my elective."

Well that's a pretty serious thing, a person's losing their eyesight, presumably time is of the essence, presumably by operating within a short period of time, that person would be able to have their sight saved and they are told that they are going to have to wait three or four months, which turns into four or five months, and then she says in the conclusion of her letter, "I am concerned not only for myself, but also for my husband and my sister, both of whom depend on me. If I am blind before my surgery can take place, who will help them?" And then she says, "Restraint on government spending is admirable, Mr. Sherman, but not when Manitobans are required to accept reduced health care."

So I think that's a fairly emotional and powerful statement by an average person. I asked the lady if I could use her name in regard to this correspondence and she said that she would prefer that it wasn't used, but I did provide the Minister with a copy of the letter, and I'm simply saying that if this is what's going on in the hospitals, if this is what's happening, namely that people who require treatment for pneumonia, and the elderly are being left in hallways or in holding areas on stretchers, this surely is not a desirable situation. If people who require surgery are being asked to wait four to five months for cataracts, because of a backlog, surely this is unacceptable.

So I'm saying to the Minister, what is he going to do about this. These surely cannot be isolated

examples. They must be representative of dozens or hundreds of other problems that the Minister is tackling, and if it is true that the bed shortage is the result of a nursing home shortage, then I say to the Minister that he has got to do something more than he's doing now, and he cannot claim to be operating or supervising a first class health service if this is what is going on on a day-to-day basis in our hospitals.

MR. SHERMAN: Mr. Chairman, in the time available to me I won't be able to respond in full to the Member for Elmwood, but I will certainly do my best to deal with it at 8:00 o'clock. I would only say that in the case that he has just raised, the latter case of the lady with the cataracts, we did obtain the lady's name, I did respond to her, my chief medical consultant was directly in touch with her and with her physician and insofar as I know the letter from which the honourable member quotes is outdated, and now precluded by explanations that were given to the lady and by events that have transpired since.

In the case of cataract operations, there is a point in time when the operation is viable, desirable and needed; there are many other points in time when it is premature to perform the operation. I'm not a doctor; I rely on doctors as this particular lady relies on her doctor, and her physician could have obtained a bed and performed that surgery at any time. We have assured the lady of that. He elected not to perform the operation until her cataracts had ripened, and that is a medical decision and a medical judgment.

Insofar as the honourable member's comment that these surely cannot be isolated examples, I want to assure the honourable member that they are absolutely isolated examples. We have 18,000 admissions to acute care beds in Manitoba every year and we don't hear much about the vast majority of them who receive excellent treatment and express their satisfaction with that treatment. We do hear of these one or two isolated examples where there seems to be some lack of communication or misunderstanding.

MR. CHAIRMAN: The hour of 4:30 having arrived, I move committee rise for Private Members' Hour.

SUPPLY — FINANCE

MR. CHAIRMAN, Abe Kovnats (Radisson): The committee will come to order. I would direct the honourable members' attention to Page 61 of the Main Estimates, Department of Finance.

Resolution No. 66, Clause 6. Tax Credit Payments — pass — the Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, I don't want to belabour this too much but it seems to me that this particular line is indicative of the cutback that is taking place with regard to tax credits. In other words, it's quite obvious that roughly \$15 million, something in the order of \$15 million give or take a few hundred thousand, is being cut out of tax credit payments and no matter what the Minister or what the government says with regard to changes in this program, it seems to me that it's obvious that fewer

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dollars, substantially fewer dollars, are being made available to Manitoba tax filers who expect to get some rebate at time of filing of income tax.

As a matter of fact, Mr. Chairman, I can say this, that no other single issue at the present time seems to be getting as much attention by the public of Manitoba. I have many many people tell me that they are very disappointed that their tax credit rebate this year is considerably less than last year.

I was in my riding from Friday evening until this morning and I can say I talked to several people, without going into detail, who were very disappointed that this had occurred, and they didn't understand why. They had some impression from previous government announcements that there was going to be more benefits and yet this line, which I would suppose is the bottom line in the entire package, is that there is less money being made available, and certainly the individuals, thousands of Manitobans, are now being made aware of this fact and they don't understand it. I tried to explain to them that it was announced last year in the Budget Debate, it was made I believe, clear, to some extent by the Leader of the Opposition at that time that there was to be a new method of calculation —(Interjection)— not only the Leader of the Opposition but by other colleagues, the Member for Seven Oaks and others have indicated quite clearly last year that this change in the method of calculation would mean fewer dollars going in the way of assistance to tax filers to Manitoba residents.

I would say the people I talked to in my constituency and other people you happen to run into around the province, these are ordinary people, these are people, good, solid working people, they have white collar jobs, blue collar jobs; some of them have wives that are working, but they're not rich people. They are generally people of modest means, and they, I say, are upset, and I would say, if anything seems to be bothering the people right now, maybe next week or the week after there may be some other issue, but right now this seems to be an issue. It may be rather quiet, it may be rather under the surface, but I would advise the government that a lot of people are being disappointed this year and are just wondering what is happening.

I know the Minister has stated that they are prepared to look at the matter with regard to pensioners, that's fine, but as I said, it seems from just a random sampling of opinion that you get as you wander around your constituency on the streets, in stores, etc., that people are upset about this.

Is the government going to change its system in respect to tax credit payments? Is it prepared to at least look into it as the Minister, I believe stated he would look into the matter for senior citizens? Because as I said, Mr. Chairman, it is not the real wealthy people — I know this Minister has often said, well, we want to give money to the people who need it the most, and we don't want to give money to people who are really wealthy and so on. Well, I say to him that I talked to pensioners and I've talked to people with very modest means and both groups are being hurt. So it seems to me that it would be in order to revise this again so that people in these categories will not be deprived of some assistance as they have obtained over the years by means of tax credit rebates.

So I am wondering if the Minister can advise us whether the government is prepared to look at this system again? Is it prepared to look at the method of calculation and go back to the previous system or to make some adjustment so that people on modest means will get more in the way of a rebate than they appear to be getting under the system announced last year?

MR. CHAIRMAN: The Honourable Minister.

MR. RANSOM: Mr. Chairman, I just wish to point out to the honourable member once more that if one is looking only at the cost of living tax credits, then one will encounter the sort of difficulty that the honourable member describes. The entire package of White Paper programs has to be looked at and that included the property tax rebates with larger increases for senior citizens, it included the Manitoba Supplement for the Elderly, and it includes benefits being paid through SAFER and SAFRR and to the Child Related Income Support Program as well.

While I acknowledge some areas of difficulty and legitimate concern, I have found that in very many cases, the situation was being considered from a narrow point of view and not from the perspective of the overall White Paper Reform programs. When the Member for Lac du Bonnet charged that in fact we were taking away \$15 million and not providing benefits to needy Manitobans in return for that, Mr. Chairman, it's simply not true. If the honourable members would look at the supplementary supply that was brought in last year they would see that there was some \$28 million additional dollars that were required in supplementary supply to be directed towards the entire package of White Paper programs.

MR. EVANS: Is the Minister telling us that we cannot estimate the amount of tax credit payments available by looking at line 66 on page 61 of the Estimates? Is he suggesting that we should look at this but then consider that there will be supplementary supply brought down subsequently and that this will augment this particular amount?

MR. RANSOM: Mr. Chairman, what I was trying to indicate to the honourable member was that although, on an individual tax form, the Cost of Living Tax Credit might well be reduced from what it was last year, but one has to also look at how much of an increase that individual got through the Manitoba Supplement for Pensioners, for instance, which does not show on the form and understandably, anyone filling out their tax form may not immediately recognize that the programs were tied together, or the money that people might get under the child related income support program, or the increased property tax payments as well. So in order to examine any individual situation, I find that it's necessary to know more information than ordinarily comes to my attention when someone raises these problems.

But we are attempting, through contact with people filling out forms and such, to try and find out the areas where there seems to be the concern, and to see if in fact those people are net losers, and to see just why they are losers, and if we think then that something should be done to adjust the system from what it was last year.

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It's not as simple to acquire that information as one might like, but we are attempting to get it and we have given our commitment that should our analysis show that it's necessary to make some adjustments, then we will consider making those adjustments.

MR. EVANS: I thank the Minister for that information, and appreciate that he's prepared to at least keep an open mind on the matter and possibly review, but I just want to point out to him that there are many many families that will not benefit from CRISP and maybe the Minister will say rightly so, the Child Related Income Supplement Program. The fact is that many many ordinary working people do not qualify for CRISP. There are many many pensioners who do not qualify for the Supplement for the Elderly, and of course you don't qualify for SAFER grants if you're not renting accommodation.

I'm pleased to note that many many pensioners in this province own their home and it's a home they have probably lived in for 50 years, or maybe more or maybe less. The average — well I don't know whether it's the average — but I know a great percentage of our pensioners do live in their own homes, and as I understand it the SAFER program only relates to rental premises.

I think if the Minister is able to eventually examine it, he will find that there are many people in the pensioner category, particularly married pensioners, that are going to get less under this program, and also a lot of what we would call just ordinary working people — they work 40 hours a week; their incomes are not, they maybe above the average, I hope they are above the minimum wage — but they are not wealthy people. They live in very modest accommodation; they drive modest cars; they probably do not afford or cannot afford any holidays to Florida or Hawaii or wherever; they don't go for winter holidays; they're the people that stay in Manitoba and enjoy the Manitoba winter. But I simply say that there are a lot of people out there on fairly modest incomes; they're not the poorest people; they're hardworking people. Many of them find they're — I know I can think of two right of the bat, two couples where the wife works, not necessarily because she likes to work and be away from the home, but because with incessant inflation and the difficulty in making ends meet, finds that it's necessary to go out and obtain some employment.

At least a couple of families come to mind as I stand here, who are in this category, and as I say, they're hardworking people, they're people of modest means, and yet they say to me, we are getting less from this rebate system. They don't understand what's happening, and they feel that somehow or other they are being discriminated against — maybe that's the word, and maybe they are. I guess that's the bottom line, they are being discriminated against.

I say there is an undercurrent of dissatisfaction here, and I am not surprised, but I'm somewhat surprised at the extent of the dissatisfaction; a lot of dissatisfaction. It's coming, not necessarily letters to the Editor yet, there have been some, but it's people stopping their MLA on the street and complaining to them and making the odd phone call and so on, or stopping you when they see you in a store, and just want to chat about things in general. I do advise very strongly that the government take another hard look at what's been going on here.

MR. CHAIRMAN: Clause 6 — pass — the Honourable Member for Seven Oaks.

MR. SAUL A. MILLER: Thank you, Mr. Chairman. I have to say to my colleague, the Member for Brandon East, that he shouldn't be surprised at what's occurred; that his pleas to the government to look into it and try to resolve the matter or try to ameliorate — I think that's the term he used — is in my opinion a waste of time, because what has occurred is not accidental, it's very planned, it's part of their program, and it again shows the bias, if you will, of this Conservative Government.

Mr. Chairman, two things that I want to mention, and it relates to this in a somewhat different way with regard to the Property Tax Credit, there's no question, I won't rehash what was said, there's no question that the vast number of tax filers are disadvantaged. There's no question, they are going to lose because the formula immediately works against them, instead of taxable income, you move to net income, which means that all the things you can normally deduct achieving your taxable income for Federal Income Tax purposes are eliminated, and so the 1 percent applies on a higher figure, and obviously the net result is less money benefiting the tax filer.

The government makes the argument, the whole thrust of our program has always been to give it to those who need it most. I think I have heard that a number of times, both on TV, radio, the brochures they issued, and in the health White Paper, that was the thrust.

Mr. Chairman, I wonder to what extent people are aware that if you are tax filer and you are 65, but you happen to be in an income bracket which is considerably well above average and are living in an expensive home, because that's where you've always lived, that after it's all over, you claim your basic \$475 and your senior citizens extra \$50 on your income tax, etc. etc., you get all the credits you want, all you're entitled to, and then you march over to City Hall and you say, I have a little card which says I'm over 65 and I am applying for an additional \$175 to be deducted from my educational cost of my municipal tax bill. It has nothing to do with what my income is, as a matter of fact the higher it is the better, I'll get the full \$175.00. I wonder how many people know that.

People who are 65, professional people who are still active, doctors, lawyers, architects, accountants, who are still actively engaged in their profession; businessmen whether they are retired but are still major shareholders in a corporate enterprise, or they are semi-retired or they come in occasionally into their own business, it is their own business, and maybe their son is running it or somebody else is running it for them; they're still active. Their incomes are — in two cases I know of, where incomes were well in excess of \$60,000 a year, both owning very expensive homes; both trot over to the City Hall, and as soon as that Winnipeg tax bill comes in, they'll come to the City Clerk's Office, City Treasurer's Office, they'll plunk down their tax receipt, their tax bills, and say okay, just take \$175 off, you'll get a check from the Province of Manitoba to defray this amount.

So to talk about that these programs are designed to help the unfortunates, to give help to those who

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need it most, nonsense. What they've done is this, they've taken it from modest income people and they're given given something, and I'm not sure how much, to those who need it most by their definition. But that other big big loophole, it's not a loophole, it's big enough to drive a fire truck through, of people with high incomes, expensive homes, get whatever tax credit that everybody else is getting off their municipal tax bill and then they can claim from City Hall an additional \$175.00. They could last year and they will be able to again this year.

So when the Minister talks about programs for those who need it most, it's nonsense. What you have here is a program for the very very low and I suspect even they're not going to benefit because, and I'll go into that in a moment, those of very very low incomes, but those of very high incomes and are doing very well, very fine thank you, and which didn't benefit at all under the old tax credit program, because their incomes are too high; they are going to get it through another door. It doesn't have to appear on their income tax statement; they don't have to file an income tax return for it — nothing. This is over and above, that's a bonus, and the bonus is if you have an expensive house and you have a lot of money and you didn't qualify because you are under the tax system, well, you can make it up here.

So I say to you, Mr. Chairman, that what you have is really a system that is geared to funnel moneys and I assume it'll be in this line as well because it's tax credit payments. Up to now I think people assume that it's only that program that deals with the filing of the tax, but I suspect that in this amount is also buried the amount that will be paid to various municipal offices on application by people who are 65 but whose assessments and education tax are so high because their incomes are so high that they'll be able to claim an additional \$175 which other people cannot, will not be able to take advantage of. Certainly no one under 65, even though they might be in far worse straits, whether they're 64 or 60 or 55; they cannot qualify.

Mr. Chairman, there's a theme that flows through this and I see that same theme of somehow favouring one element over another in the changes introduced this year by the, or not yet introduced, but announced this year by the Minister of Education in his Education Supplement Program; that's the new Foundation Program. In the past, you know, the Foundation Program is really a pot of money made available to the Finance Board. That pot of money comes from two sources. One source is the Provincial Government through the Minister and his Estimates. The other source is the amount levied on property in the form of a mill rate. That money is also housed with the . . . sent to the Public Schools Finance Board, and it's those two sums of money; the money from the Department of Education, the money raised by Property Tax.

In the past, for many many years, farms and residences accounted for about 25 percent of the moneys raised from property tax and other, the term "other" to cover industries, commercial buildings, etc., they contributed 75 percent, until this year, sudden changes taking place. Apart from the fact that what property tax is going to have to raise, has gone up from about \$43 million to \$148 million, you

know, I think it's \$100 million, \$105 million more that's going to come from property taxes, but apart from that, the interesting thing I find is that whereas in the past, business, commercial properties, contributed 75 percent to the Foundation Program or the Finance Board, their proportion is now going to drop to 46 percent, so that businesses, the banks on Portage Avenue, the Richardson Building, these beautiful buildings, these commercial buildings that one sees in the city and elsewhere throughout Manitoba, instead of their contribution representing 75 percent of the moneys to be used under the Foundation Program, their contribution is now dropping to 46 percent.

But the farmer residential, their contribution, instead of 25 percent is now going to represent 54 percent. What a shift. What a shift, and it's a dramatic shift. Why this change in ratio which was in the past the idea being that the term "foundation" and maybe that's why they changed the term, the name of the word, the title, it was called Foundation Program and it was supposed to be a foundation which was supposed to cover the full cost of education within a school division with the school division levying extra and above for things it wanted. But the Foundation Program was basically a firm foundation of a basic educational system, but when it was first introduced, the farmer residential contributed a far lesser amount, taxes on farm residential contributed a far lesser amount than did commercial or industrial and now we suddenly see that shift. Industrial commercial dropping from contributing 75 percent dropping to 46 percent; farmer residential which is expected to contribute 25 percent of that pot, now contributing 54 percent of that pot. What a difference. Industrial commercial going from 75 to 46; farmer residential going from 25 to 54.

So what we see here is again another massive shift, it wasn't highlighted in the Minister's informational packages, it wasn't even mentioned, but there was a massive shift in how education is being funded and where the money is coming from. And I'm surprised because we all know that any business, whether it's a bank building or whether it's an industrial building, the taxes they pay are deductible as a business expense. They can take it off for tax purposes when they file their annual returns, whether they pay \$1,000 in property tax at \$10,000 or \$100,000, they can deduct it, because it's a business expense along with many other business expenses. But a homeowner can't deduct a nickle, and yet the homeowner is being asked to pick up a bigger ratio of the Foundation Program of the established support program, Education Support Program, than in the past.

It is these two items that spring to mind as I was listening to the Member for Brandon East because it shows the definite direction of this government. They shed crocodile tears for those who need it most but in the meantime they have a program for those who need it least, and they're going to get it no matter what; whereas those who need it most, it's still a question of whether they're going to get it or not.

They announce a great shift in the educational support program, and they're going to pump \$70 million more in this year, which I think amounts to about \$40 million because 30 million they'd have had

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to put in anyway. But a massive shift, a massive shift from commercial and industrial, to residential. Two very important steps that have been taken by this government. Which reflects their ideology, which reflects their thinking, which reflects how they view things.

I said earlier that I didn't know really to what extent people would benefit those who need it most, to use their phrase, to what extent they would really be able to benefit from these new programs that were in the White Paper, the SAFER program, which if you're a renter doesn't cover you; the CRISP program which, if you have no children and you're elderly, whether you're 65 or you're 60 but your children are no longer in the household, they're over age, they don't benefit you; but you lose when you file your income tax, you lose on the Tax Credit Program. There's no question; no question, you lose.

I've had half a dozen cases of people who simply phone me and say, I must be making a mistake in my calculations. Over the phone, can you tell me what's happened, and inevitably, it's worked out that these people are getting less money. The Minister may say yes, but they don't need it most; there are some who need it more than they and I suppose there always are people who need it more than somebody else.

Mr. Chairman, all the ones I've mentioned need it a lot more than that person who has hit 65 years of age, whose income is high and way beyond whatever he might benefit under the tax credit system through income tax, but he can march into city hall and because he got a high income, because he's 65, because his assessment is high and he's got an expensive home, he can come in and get \$175 taken off his tax bill for educational purposes without a blink. He doesn't have to prove anything, except that he's wealthy and he's got the house to prove it. That's all.

So Mr. Chairman, when my colleague, the Member for Brandon East says, is the Minister watching, is he doing anything to ameliorate it, to moderate the impact, I say, my friend is wasting his time. They know what they're doing; this isn't inadvertent; this isn't a mistake because the 175 has been on, they could do it last year and this year. This is part of the program of the Conservative Party, and this is the program that they want and this is the program that they're giving to the public of Manitoba. My hope is that the people of Manitoba will reject it.

Thank you.

MR. RANSOM: Mr. Chairman, I'd just like to make a couple of remarks to try and correct what I think is a misleading and erroneous impression being left by the Member for Seven Oaks in relation to the last comments about the cost of educational financing being borne by business. I would ask the honourable member to go out into any municipality or any school division and find out whether in fact the amount of taxes being raised through taxation on businesses will be lower, as compared to that being raised on homeowners and farmers. Because the educational support program portion has increased from what the Foundation Levy was doesn't mean that the bottom line for the homeowner and the farmer isn't going to be lower in most cases, and I can assure the honourable member it will be lower in most cases. I can also assure him that in most cases, for business, it will not be lower than it was previously.

He also mentioned the matter of the extra \$175 that goes to pensioners. I should point out that that \$175 maximum was for educational taxes against property, I don't think the honourable member made that plain in his presentation. (Interjection)— He says he did, I accept that, Mr. Chairman. It is to go purely for the educational portion of the tax, and that was, if I recall correctly, a commitment that was made in the election. And that was something that the people of Manitoba collectively voted for, relief of educational taxes on senior citizens. I must say that at the time we did not differentiate one senior citizen from another and of course he is correct when he says it doesn't relate to income, just as the minimum Property Tax Credit rebate doesn't relate to income, and which the members opposite increased when they were in government as well.

That doesn't change the principle of the thing, Mr. Chairman, but it does mean that the practice of giving money through tax rebates to people without having it related to income is something that was done by the previous administration, as it has been done here when we increased the tax credit minimum by \$100 overall last year and when we gave the additional amount to senior citizens to cover educational taxes.

MR. MILLER: Mr. Chairman, the Minister wonders whether I indicated that in fact the 175 applied to the education, and what I said is it was on the taxes for educational purposes.

Mr. Chairman, what the Minister said doesn't change one bit what I've said. Sure, there was an amount available to all people, whether they were pensioners or anybody else, the basic amount which reduces one's municipal and school taxes. But I find it very strange, when the Minister says yes, but we made a promise that we would have a special program for pensioners. The interesting thing, Mr. Chairman, is that as the Property Tax Credit has risen to 475 now, then in fact it is only those whose homes are valued fairly highly and, by and large, that reflects people of means who can afford these homes, and these homes are assessed at a high amount, they're the ones who, without, as I say, a blink of an eyelash can get an additional 175. Sure, it relates to the school portion of their property tax, but they're paying \$700, \$800, \$900 in school tax, and they, as I say, can come in and simply get another \$175 taken off.

I said it in relation to the theme that this government is using all the time about those who need it most. Mr. Chairman, the examples I gave and the Minister did not deny, is that it is not to those who need it most, it is to a group who, because they've hit 65 are getting a certain benefit. As I say, these are not necessarily people who are now inactive, who have retired and are living on a pension, these are people, the ones I know, who are professionals, lawyers, dentists, doctors, architects, accountants, very active, very active in their businesses and other businessmen who are still very active. They may spend three months in Florida, but they're still active in their business; they make the major decisions and they qualify, no question, they qualify. They're not affected by whether their incomes are high or low or anything else when they fill out the income tax form. This is a direct payment through the city hall.

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With regard to the other statement the Minister says, yeah, but, do I know any business' taxes going to go down. On the other hand, isn't there going to be a drop in the taxes on residences in some school divisions? That may be, Mr. Chairman, but the reason for that is because the special levy is going to drop. That's what's going to happen. The special levy will drop; and the special levy will drop because of two things: The Provincial Government's putting in more money, and property tax levied by the province is putting in more money. It's the amount of money raised by this levy on the property tax that I'm talking about, that whereas before business and commercial contributed 25 percent, now they contribute 46, farmer residential contributed 25, now they represent 54.

So, Mr. Chairman, what you have is a diminution in the share that business is paying towards the pots which makes up the Foundation program. And I find it strange, because as I said earlier, they're in a position to charge it off to expenses when they file income tax returns because it is a legitimate business expense. It's the same expense that you have whether it's salaries, whether it's maintenance of your building, whether it's depreciating a piece of machinery, whether it's the lighting of your building, the telephones in your building, the heating of your building and the taxes on your building; that's all a legitimate expenditure. I believe, I'm not an accountant but I'm pretty sure that's all a legitimate expenditure when you file your income tax return, when the company files its return and yet this government chose to change the ratio.

So to me it's indicative of this government's thinking. They seem to favour, they seem to have a bias towards certain elements in our society, and the Minister's comments therefore didn't refute what I said, as a matter of fact he agreed with the first part of it, the second he didn't agree with, he simply said but isn't there going to be a drop in the mill rate; and there may be but only because, as I say, the special levies may drop and they may drop because more money is coming from property tax within the municipalities.

MR. RANSOM: Mr. Chairman, I have nothing further to add than what I said previously on the educational tax question. I stand by what I said, and I'm sure the Minister of Education will get into details of it in his Estimates.

I would like to point out to the honourable member though that on the matter of the pensioner assistance to their educational taxes, I think he will find that there are a great many people, in the city especially, who need that extra \$175.00. The person who bought a home, say in the early 1950s, and today the taxes on that home might well be in excess of \$1,000, \$1,000 to \$1,200, and the people are living on fixed incomes; one situation that I know about was a couple living on a fixed income of \$14,000 a year and their taxes are \$1,185, they need that extra \$175 to help offset their educational taxes which allows them to continue to live in their homes. No question, pensioners, who are going to be making large incomes and who are going to get the extra \$175 just as there are thousands of people who are making substantial incomes and who are now getting the benefit of the minimum Property Tax Credit.

But I think it is unfair to suggest that the major portion of the benefit of that \$175, if that's what the member was suggesting, is going towards what we might call wealthy pensioners.

MR. MILLER: Mr. Chairman, I want to remind the Minister that one of the major reasons for the change in the tax credit system, and the former Minister of Finance, it wasn't this one, when he spoke indicated that the trouble with the old property tax credit system was that it was full of anomalies; people who didn't need it were getting it and it was an attempt to correct these anomalies, to plug the loopholes so that "non-deserving" people wouldn't get this amount of money. I'm saying, if that is the direction you're taking, then by golly, there's a major loophole here, enough to drive a truck through, which you've totally ignored. What you have done is taken it from moderate income people, moderate and low, but you haven't touched the group I'm talking about at all. I can tell you that there are people — and I think the Minister agrees with me, that there are people with very high incomes who get this amount which another group cannot; even pensioners, because their homes are more modest to start with. They weren't big money earners in their lucrative years, or in their working years so they have modest homes. Sure their taxes have gone up, but they're not faced with the kind of assessment as some of these homes that I have in mind and which I know of personally, where to them it's a straight bonanza and they pick it up. It's a little early, it's too soon in the year, but a chap I know who didn't know about the program I told him about it last year, so he went and collected for two years running and then extended his stay in Florida by another week.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. PAWLEY: If the Minister is intending to respond, otherwise I was going to deal with the Tax Credit Program.

Mr. Chairman, I wanted to also comment that the Member for Brandon East was being unduly generous to the government and I think that the Member for Brandon East is a little too soft with the government, because in reviewing what took place last year the government was fully warned as to what might be expected.

I'm glad the Member for St. Matthews is here because I am awaiting, if the Member for St. Matthews has not participated in this debate, to ensure that he does, because it was only two weeks ago, Mr. Chairman, that I heard the Member for St. Matthews describe the Cost of Living Tax Credit changes as a stupid error and indicated that indeed it had unfairly hit some pensioners, low income people and he announced at that time, we had thought on behalf of the government, that there would be a correction of these stupid errors that would take place.

I wondered at the time, Mr. Chairman, as to the Honourable Member for St. Matthews' comments and I was trying to recall whether or not he was in attendance during the budget debate of last year, it may be that he had no opportunity to read Hansard pertaining to what had been said during the debate

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last year, so it may have been that he suddenly woke up to the fact that some of his constituents were confronted with problems and assumed that there had been an error take place because, Mr. Chairman, it was so clearly pointed out last year to the government — to the then Minister of Finance — that what was being proposed was, and our words were "sheer hucksterism", on the part of the government.

We pointed out last year that the government indeed was removing moneys from one pocket, placing moneys in the pockets of some others and that we were engaged in a process of hucksterism on the part of this Conservative Government, Mr. Chairman. We pointed out as well that — and honourable members will recall — that this situation was described as one in which there would be exploding cigars, which the hucksters had been handing out to the people of this province.

Well, Mr. Chairman, the cigars now have commenced to explode. They have commenced to explode when pensioners, low income people and middle income people commence to complete their returns, when the true facts came to light as to what these reforms, so-called, meant for so many low and middle income families in this province. Mr. Chairman, my, did the government endeavour to create a different impression in the Province of Manitoba; they advertised and they advertised generously with the moneys of the taxpayers of the Province of Manitoba that indeed a new dawn had emerged for the senior citizens of this province.

I have in my hand indeed a large advertisement which reads, "Now Manitoba's giving twice as much financial help to pensioners", and a picture of a lovely pensioner couple. It goes on, "People who receive the old Manitoba supplement for the elderly will receive twice as much financial help under the new Manitoba Supplement for Pensioners". I recall that during that budget debate, as the government has went to do, the then Minister of Finance got up and he referred to my comments as damn lies and more damn lies. That's how he described the statements that were made from this side of the House when we exposed the hucksterism, that the government across the way was attempting to undertake in this province. When that was revealed, the only response we obtained from the Minister of Finance was damn lies and more damn lies.

Mr. Chairman, I don't know whether the Member for St. Matthews was present, but I know that the Member for St. Matthews three weeks ago suddenly acknowledged to Manitobans that he indeed had found out when the cigars commenced to explode in his constituency, that indeed there had been hucksterism practised by the government, that the Member for St. Matthews supports.

I don't know, Mr. Chairman, whether the government supports the Member for St. Matthews, I'm not sure of the relationship that exists there, but I have hope that if the former Minister of Finance refused to listen to the comments by the Member for Lac du Bonnet last year, the Member for Rossmere, the Member for Seven Oaks, that indeed we might have heard some response that would have been more positive from the present Minister of Finance to one of his backbenchers, when one of his own backbenchers described what had taken place as

being one of stupid error on the part of the government. It wasn't a stupid error, that's the only problem, because it was pointed out before this budget was voted upon in the House, as to the impact this budget would have upon middle income and low income people in Manitoba. pointed out, Mr. Chairman. On May 23rd, 1980, the then Minister of Finance said this, and I want you to listen carefully, Mr. Chairman. This is the same Minister of Finance that in 1976 said — I don't have the precise quote here — but said, one of the principle objectives of a new Conservative Government will be to do away with the Property Tax Credit system.

I recall him making those comments I believe, from the chair beside me in 1976. It was back to my own chair, my colleagues tell me. He was then the Leader of the Opposition in 1976. In 1980 that same member, as Minister of Finance said in this Chamber and I read, "Mr. Speaker, if the Members Opposite think that somehow there's a backfire in this program, that there's going to be real problems with this program and that, therefore the government has to call a quick election to capitalize on this sort of thing, I want to disabuse them of any lack of confidence on the part of this government, that these programs will stand the test of time and that next year when they are in full operation, they're going to have a lot of explaining to do as to why they are not supporting this budget". The Minister of Finance said that we were going to have a lot of explaining to do at this time this year as to why we weren't supporting the Budget, that's what the Minister of Finance said. Mr. Chairman, the explaining that I have heard attempted, and I only say attempted because it's been little better than that, has come from this Minister of Finance, deserted by the former Minister of Finance and of course receiving no assistance from the Member for St. Matthews. The explaining isn't from this side of the Chamber, Mr. Chairman. So, Mr. Chairman, the government were fully warned, they were advised.

I have a letter which I've just received, a letter to the First Minister, and a copy sent to my office, and I'm going to read this letter into the record, Mr. Chairman, because I believe it describes better than I can, what has taken place under this government's so-called White Paper tax reforms, so widely publicized, so widely advertised with the moneys belonging to the taxpayers of this province.

"Dear Mr. Premier:" the letter reads, dated March 18th. "Since receiving the 1980 Income Tax Form I have been extremely angry. It is agreed Tax Credit should not go to those who are not in need, but when we start practising restraint on the backs of the poor, it is pretty sad. I have had occasion to aid a number of such individuals complete their tax forms.

Firstly, by using net income rather than taxable income, as part of the qualifying criteria, all old age pensioners, all families in receipt of family allowances, be they on welfare, war veterans' allowance, Workman's Compensation, etc., have a net income. For example an old age pensioner in receipt of Old Age Assistance and CPP had a net income of \$4,555, thus his Cost of Living Credit was reduced by \$45.55 as was his Property Tax Credit. Under taxable income criteria he would have received his full credit of \$141.00 or 3 percent of

\$4,700, plus his full Property Tax Credit. In other words using taxable income as in prior years, he would have received \$91.10 more than under the present regulation.

This holds true for all families in receipt of family allowances, whether they be on welfare or whatever, they lose 1 percent of this amount from both tax credits. It seems to me that if we are to use family income however defined, then all things being equal, total family personal exemptions should be the basis". The letter is from one Mary Sloboda and the Premier has received the letter and we await with interest the response from the First Minister to this lady who has completed a number of income tax returns.

So, Mr. Chairman, we are annoyed, that this government having received full notice — and I can remember, Mr. Chairman, in this House and it's recorded in Hansard, sample income tax returns being brought into this House in the spring of 1980 — I believe the Member for Lac du Bonnet read in detail, from income tax returns in this Chamber. I recall myself referring to sample income tax returns, and we received the kind of response that we received from the then Minister of Finance. I recall, Mr. Chairman, a report which was issued by the Social Planning Council of Winnipeg, which came out within a few days of the Budget being tabled in this House and I recall the Minister dismissing it as a report which generally supported the government's White Paper reforms.

Despite the fact that report pointed out that an independent review would indicate that on the average, households would only receive an extra \$14.00 instead of the \$100.00 they expected after the April 1980 announcement of Property Tax Credit changes. So, Mr. Chairman, Manitobans ought not to feel that this is an innocent mistake or even a stupid error, as the Member for St. Matthews suggested. It wasn't a stupid error; it wasn't an innocent miscalculation; it was because this government was deliberately changing the tax system of this province in order to perform one of the biggest arts of gimmickry that incurred in this province, and which was properly referred to as hucksterism last year. Hucksterism.

The Member for Kildonan very properly points out, shell game. One time you have it, the next time you don't have it, Mr. Chairman. That's what's happened with these so-called White Paper tax reforms and, Mr. Chairman, I can't help but ask the Minister of Finance, because there seemed to be such a generous budget for advertising. I remember the sweet little old lady pushing the shopping cart through the shopping centre, a very impressive little old lady — it was one of the better ads, it was a lot better than these ads that the Minister of Economic Development is running, I've never seen such a poor set of ads as he's been running — but that was one that was pretty impressive, a sweet little old lady pushing a shopping cart through the shopping centre, indicating what a wonderful deed this government had done for her. Mr. Chairman, if they persist in advertising, then let them tell the full story; let them tell Manitobans the complete and total story, not just part of the story.

Where were the advertisements pointing out to Manitobans that come this income tax season, they

might be running into some unexpected surprises? Where was the detail being provided to the old age pensioners of this province filling out their income tax returns, that there had been a basic and important change made insofar as the completion of income tax returns; where was the advertising to tell Manitobans that; where were the full-page ads giving a sample tax return as to what might be expected on the part of the old age pensioners of this province?

Mr. Chairman, it would seem to me that there has been confusion on any government program. It has not been confusion in respect to that which has been handed out, and we have not opposed the improvement of programs for the senior citizens of this province, but we do oppose hoodwinking the senior citizens of this province by bringing about some basic changes, then lying low, and not publicizing it; denying that there is any problem; inferring that anybody that suggests that there is a problem is lying. Then, Mr. Chairman, suddenly all breaks loose. One of the government backbenchers speaks up; refers to it as a stupid error, in other words, just discovered, and says the government is going to make some corrections. The Minister of Finance says well we're going to monitor this, Mr. Chairman. They have been monitoring this program for the past year and we say, Mr. Chairman, that the monitoring should have now uncovered enough information to fully indicate to them the irregularities under this program, that's number one, knowing further monitoring may be required; and number two, Mr. Chairman, the inequities ought to be compensated by rebates to those that have been unfairly dealt with under the government's White Paper Reforms, and should be done now, Mr. Chairman. That's what we are saying.

The Minister likes to talk at length about an extra \$29 million provided for Property Tax Credits last year, as though that in one full sweeping statement should dismiss all reservations, all doubts, that anyone has. Mr. Chairman, what the Minister does not acknowledge is that the \$29 million that was provided in improving the Property Tax Credit Program last year, was after this government froze any addition to the Property Tax Credit Program for 1978 and 1979. Why doesn't the Minister mention that? Yes, we provided \$29 million last year to make up for a standstill position adopted by a restraint-reminded government in 1978-79. Again, give us the entire picture, not just a distorted picture through the glasses of the Minister of Finance.

Mr. Chairman, we would not be so upset if indeed we had not pointed out what was taking place here so fully, so completely during the debate on budget last year. We might have been able to have accepted the Member for St. Matthews' assurance that this was some form of stupid error, but what is unforgiveable, that people on low income, senior citizens in this province, are taken by surprise because there's been no coverage, there's been no publicity, there's been no advertising, and find that they are out a great deal of money to them in the filing of their income tax returns; \$100, \$125, \$150, is a great deal to most of those that have been affected by this change.

So, in conclusion, Mr. Chairman, let the Minister acknowledge that he's already had ample time, along with this predecessor, to monitor; (2), that indeed

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this government was wrong in 1980 when they pushed through these changes in the regulations despite the opposition that was then expressed. Let him acknowledge that and I think Manitobans will respect him all the more for that, let him acknowledge it, let him not beat around the bush. Then, Mr. Chairman, because it was the government's doings, let them provide proper rebates to those that have suffered because of this government's deliberate and unwitting policy that they released last year, despite due notice having been served upon them.

MR. RANSOM: Mr. Chairman, I think that it's probably an opportune time for me to put the facts relating to this program onto the record to try and counteract the statements that have been coming from the members opposite. I noticed over the weekend that there was substantial coverage given to statements by the Member for Lac du Bonnet, that \$15 million was being taken away from the taxpayers in Manitoba without reference to the additional 28.5 that was being voted in Supplementary Supply.

I don't fault them for attempting to make whatever mileage they can from this program. I do find it interesting though that during the nomination meeting in St. Johns they accused the Member for Point Douglas of playing on the fears of old people, that in order to get that nomination in St. Johns, Mr. Chairman, I find that an interesting kind of charge that the members would make.

One of the examples that had been used was that of a senior citizen whose only source of support is old age security payments, and the . . .

MR. CHAIRMAN: Order please. The Honourable Leader of the Opposition on a point of privilege.

MR. PAWLEY: Mr. Chairman, the Minister of Finance, left a very clear impression in this House that either the Member for Lac du Bonnet, or others that have joined in the debate, including the leader, made reference that the Member for Point Douglas had been playing on the fears of older people. Mr. Chairman, that is untrue. No one in this House has done so, and the Minister has left wittingly or unwittingly an incorrect message in this Chamber.

MR. RANSOM: Does the member have a point of privilege, Mr. Chairman?

MR. CHAIRMAN: On a point of privilege I would have to rule that there was no point of privilege. I was listening very carefully to the debate and I didn't quite get the same statements as what the Honourable Leader of the Opposition did.

The Honourable Minister.

MR. RANSOM: Mr. Chairman, the information that was provided by the members opposite tended to be misleading and incomplete and that may have been as a consequence of not considering all the factors of the programs. I am not suggesting that it was a deliberate attempt to mislead, but the way the information was presented it comes out that way because it doesn't pay attention to some of the other benefits that the individual would have.

For a single person, a senior citizen whose 1980 income, before provincial support, was \$4,350,

comprised of \$2,272 in Old Age Security payments and \$2,078 in Guaranteed Income Supplement payments, we would find that with no rent or property tax payments that a single senior citizen in those circumstances received a Cost of Living Tax Credit of \$129 for 1979. For 1980 the Cost of Living Tax Credit is indeed smaller at \$118, an apparent reduction of \$11.00. However, the point that had not been acknowledged by the members opposite was that such a senior citizen would also get an increase of \$94 in direct income support because of the doubling of the Manitoba Supplement for Pensioners. So in overall terms the provincial support is \$83 over 1979; so that while the impression of course is left on filling out the income tax form, because that's the form that's in front of people, the impression is that person was less well off than they were before. Such is not the case, Mr. Chairman, in fact, they would be getting additional money, \$83 through the Manitoba Supplement for Pensioners.

Now in a situation where the senior citizen is paying \$180 in rent, a rent level which is about \$20 a month under the \$203 average paid by single SAFER recipients, the property tax credit for 1979, would have been \$375.00; for 1980, it's \$502, a further increase of provincial support of \$127, bringing his total gain under the White Paper programs to \$210.00. And under the Pensioners' School Tax Assistance Program the pensioner would qualify for \$53.50 in extra provincial support. His total gain under the White Paper programs, without taking SAFER into account, is \$264, the potential gain that person would have, Mr. Chairman. Now if that senior citizen was a home owner with \$600 in property taxes he qualifies for an increase of \$127 in Property Tax Credits, he would not qualify Pensioner's School Tax Assistance; his overall provincial support is still up \$210 comprised of an \$11 reduction in the Cost of Living Tax credits, a \$94 increase in the Manitoba Supplement for Pensioners, and \$127 increase in Property Tax Credit.

Of course the situation tends to be confusing because we are dealing with three or four different programs that are trying to be targetted to people who require assistance. In the one case there was a reduction but in net there was an overall gain. Now if he were to pay more than \$325 in school taxes he would qualify for extra help with those taxes under The Pensioners' School Tax Assistance Program.

The married couple whose only source of support is Old Age Security payments, what would their situation be? Their total in 1980 income before provincial support would be \$7,859, comprised of \$4,544 in Old Age Security payments, and \$3,315 in Guaranteed Income Supplement payments. With no rent or property taxes the Cost of Living Tax Credit available to such a family is down from \$259 in 1979, to \$190 in 1980. Again, an apparent reduction, an actual reduction in Cost of Living Tax Credit of \$69.00. However, again, what is not being acknowledged opposite is that the couple is now receiving double the Manitoba Supplement for Pensioners, which in these situations represents an increase of \$202 in direct income support. In overall terms by virtue of the Manitoba Supplement for Pensioner increases, and the Cost of Living Tax Credit net family income definition, such a couple is at least \$133 ahead by virtue of provincial support under the White Paper programs.

Now if that couple is residing in accommodation costing \$180 a month in rent, and this is an amount which is approximately \$60 under the average level of rent paid by married SAFER recipients, at this rental level their Property Tax Credit is \$104 from \$375 for 1979 to \$474 for 1980, and the couple qualifies for \$53.50 in School Tax Assistance. The total increase in provincial support for such a couple is \$290 comprised of a \$69 reduction in Cost of Living Tax Credit; a \$202 increase in the Manitoba Supplement for Pensioners; a \$104 increase in Property Tax Credits, and a \$53.50 increase in School Tax Assistance.

In general terms I can also advise the honourable members opposite that if these senior citizens face undue strain as a result of rent, then SAFER payments larger than their property tax credits are available under a rental assistance program.

I should also point out that if the senior citizen couple own their home and pay \$600 in property taxes their Property Tax Credit is up \$104, from \$375 in 1979, to \$479 in 1980. Now while such a homeowner would not qualify for School Tax Assistance, total support is up by \$237, made up of a \$69 reduction in the Cost of Living Tax Credit. And there is always the item that the honourable members are settling on opposite, the reduction that takes place in the Cost of Living Tax Credit, but there is a \$202 increase in the Manitoba Supplement for Pensioners and \$104 increase in Property Tax Credits, and as well if they pay school taxes over \$325 they would qualify for extra help for those taxes under the Pensioners' School Tax Assistance.

The Member for Rossmere used an example of a single parent secretary with \$14,000 employment income and two children. He suggested that such a person would lose \$30 under the White Paper Programs and I must point out that such a single parent family given standard deductions, gains marginally under the White Paper Programs according to our calculations rather than being a loser of \$30.00. Moreover, she pays less in Provincial Income Tax of course, by virtue of the fact that we reduced the Income Tax level from 56 percent on personal income to 54 percent, in addition to the White Paper Programs.

Now supposing the individual that the Member for Rossmere dealt with had, if that single parent family with two children was earning \$10,000 instead of \$14,000, in addition to the marginal direct gain on Property and Cost of Living Tax Credits in total, she could receive \$260.00 under the Child Related Incomes Support Program; and similarly at the \$8,000 income level of employment income such a family would receive the maximum CRISP payment of \$720.00 annually, delivered in monthly cheques of \$60.00. I think that members opposite would acknowledge that a single parent family with a couple of children, earning \$8,000 is perhaps not an unusual occurrence and that person would certainly be able to benefit from assistance and our programs will provide that assistance and such a person would get \$720.00 annually under the CRISP Program.

Again if such a family was facing undue financial strain as a result of high rent in relation to income, the SAFFR Program or the supplement for family renters, rental assistance for families, would provide additional support there as well, both in advance

payment of Property Tax Credits and extra help that might be available then through the SAFFR Program.

Now, the members opposite seem to be arguing for a return to the 1979 system, the one that was in place prior to the changes that we've made — and I must point out again to the honourable members what a return to that system would entail because that system provided smaller benefits to many of the needy people and are provided under the White Paper Program — it provided half the support that's now provided under the Manitoba Supplement for Pensioners which now goes to about 27,000 Manitobans and at current, Old Age Security Guaranteed Income Supplement levels provides single seniors with \$5,049 in income compared with \$3,871 in 1979; and married seniors with \$9,013 in income compared with \$7,183 in 1979.

The system that was in place previously at most, provided \$15.00 annually for each child in low income families compared with \$30.00 per month per child under the CRISP Program and over 3500 families are now enrolled in the CRISP Program and receiving average payments of \$60.00 monthly, \$720.00 annually.

The program that was in place previously provided smaller Property Tax Credits, a reduction of over \$100.00, at \$180.00 in rent in the senior citizen examples cited. The previous program provided no School Tax Assistance to pensioner tenants; provided smaller School Tax Assistance for payments to pensioner homeowners. There were over 17,000 pensioner homeowners received an average of \$123.00 in School Tax Assistance last year and close to 6,000 received the \$175.00 maximum.

The previous program provided no rental assistance to seniors with high rent in relation to their income. Over 2,700 pensioners are now receiving \$74.00 monthly in SAFER payments, \$888.00 on an annual basis compared to the former \$375.00 maximum Property Tax Credit. The previous system provided no rental assistance to low income families with children, facing high rents in relation to their income. Over 300 families are now on the SAFFR roles facing average rents of \$247.00 and receiving monthly payments of \$85.00, \$1,020 on an annual basis compared to the former \$375.00 Property Tax Credit maximum.

The previous system provided unnecessary and costly Cost Of Living Tax Credits to low income spouses and relatively well to do families. It was one of these inequities in the previous system. It provided larger Property Tax Credits to families with two income earners than to similar families with one income earner, who in overall terms had lower incomes and greater needs. In our view the White Paper Programs provide generally targeted assistance to cases of real and genuine need and the assistance provided to those targeted groups is both significant and timely.

There are losers, Mr. Chairman, and the brochure that was released last summer indicated that there would be losers. Just so that I can offset the indication that the honourable members opposite gave, that there was no indication from the government that there would be losers, I want this to show that was incorrect, Mr. Chairman, because there was that indication and I would quote from the

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brochure, and the quote goes as follows, "Some people do get less, but more important the money is now being used to get extra help to the people who need it most. That extra help may take the form of Property or Cost of Living Tax Credits, or it may take the form of some of the new White Paper Programs of help for those who need it most."

So, a further quotation to that, Mr. Chairman, then goes as follows, "But the basic principle is the same, the White Paper reforms get extra help to the people who need it most". I have to add that our government is concerned that there may be the occasional anomalous situation in which the conditions of the White Paper programs may in fact result in unwarranted reduction in benefits and for that reason the 1980 Budget included a commitment to monitor the implementation of the programs and to examine situations where adjustments might be required. That's what I've assured the honourable members opposite that we're doing at the present time, and in the event that adjustments are required, then we'll bring forward whatever fine-tuning adjustments appear appropriate later in the Session.

The fundamental point and the point which the members opposite seem to refuse to acknowledge, Mr. Chairman, is that the programs are generally working well. The programs are generally providing significant increases in support in cases of greater need, lower income senior citizens, and lower income families with children. I haven't heard them stand up and deny that those statements are not true; that the programs are not delivering to those people.

They are dealing with a fairly narrow situation, a fairly limited area of the total overall White Paper programs and they're making the most of it, because most income tax forms indeed show a reduction in the Cost of Living Tax Credit, and they do not show some of the other benefits that are flowing to the people.

I should also refer, Mr. Chairman, to comments made previously by the Winnipeg Social Planning Council which did what was termed a critical review of the White Paper programs and the critical review included the following comments in its conclusions and again which I would like to quote. It says, "We have argued that in principle the combination of universal Supplement Tax Credit Programs and more targeted Income Support Programs reflected by the package of White Paper proposals, is the most efficient and effective vehicle for responding to need". That's from the Social Planning Council of Winnipeg's critical review of the White Paper programs.

I've referred to those comments specifically to the Member for St. Johns who earlier last week had criticized the government for using a more comprehensive concept of income to relate tax credit payments to the resources available to families, but I could point out to him that the Social Planning Council of Winnipeg endorsed the use of a more comprehensive income support, income concept, but suggested that an even more comprehensive concept which was total family income rather than net family income might be preferable. I also can refer him and all the members opposite, Mr. Chairman, to the position adopted by their former leader when he was the Premier of Manitoba, because in September 1974, at the Conference of Provincial Premiers, then

Premier Schreyer stated and I quote, "Families should be taxed or supported each as an economic unit and the definition of income as a basis for support payments and taxation should be more comprehensive than at present."

The proposals now favoured by members opposite, which apparently involves a return to the not-so-good-old-days of 1979, would be inconsistent with the principles that were outlined by the former Premier in September of 1974, and they would also have the effect of taking from the poor — this would be the paraphrasing I guess, what the Member for Rossmere said — would be taking from the poor in order to give to the not-so-poor. That seems to be one of the basic weaknesses of the system that was in place previously.

Well, Mr. Chairman, I did want to take the opportunity to place some of the facts of these programs onto the records. I know that there are individual circumstances which are at variance with that. One of the features of these programs is that there are so many variables involved, that it is very difficult to establish clear categories and say that people with certain income characteristics fall within this area because it is so difficult to identify them. But I ask the honourable members to give consideration to the benefits of this program as well as to the seeming weaknesses which they have been concentrating on in their debate to this point.

MR. DOMINO: Mr. Chairman, I rise just to add a few comments to this debate on Estimates, not because I feel in any way that the Minister of Finance requires my assistance publicly here in the House. I think he's done an excellent job of defending what were and are very worthy reforms to the Tax Credit system. I should say that I'm happy in general and have never said anything other than that publicly or privately and I'm happy with the White Paper reforms in general.

Mr. Chairman, further it would be foolish of me to say or certainly for me to criticize the White Paper reforms in their entirety, would be to criticize some of my own work, because I was involved in a limited way in the formulation of the White Paper and of the reforms. On several occasions in this House, particularly during debate on Minimum Wage legislation, I have stated during the last three years on several occasions that I wanted and would welcome reforms of just this very type; reforms that sought to provide low income families and low income workers with extra income through the redistribution system.

But, Mr. Chairman, the Leader of the Opposition talks about programs like CRISP and SAFER and the extra education funding as hucksterism. Well, the Minister just outlined in detail that substantial benefits go to many families because of the new system; because the new White Paper reforms, rather than taking the shotgun approach, tried to target in on those families who really genuinely do need it.

Mr. Chairman, I am personally confident and I've told this to my constituents, to members of the media and saying it here in the House, I am perfectly confident the vast majority of low income senior citizens and low income families are much better off with the new White Paper reforms than they were previously.

However, Mr. Chairman, my comments came to the attention of this House due to the fact that I

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wrote back to a constituent who had contacted me to say that he thought that the reforms weren't fair because he thought he was losing some money in the process; and I wrote back in a private letter and said to him, it does appear from what you've said to me that some of the regulations might be inconsistent or even stupid. Then I further went on to say, that the intention of the government was to supply low income senior citizens — as this gentlemen was — with more cash, with a larger redistribution of income; and that if that intention, that if for some reason our objective was to supply them with more money and the reality was that he wasn't receiving it, that I was going to investigate it and that if that was the case, I would do whatever I could to make sure the regulations were altered, because that certainly wasn't the intention. As has been pointed out by the Minister of Finance in the vast majority of cases, and maybe in all cases even, individuals are receiving more money when you count the total package.

Mr. Chairman, it shouldn't be implied from my comments that I have any lack of confidence in the government or in the Ministers who speak publicly on behalf of all the caucus in the government, because I have a great deal of confidence in them. I understand exactly the procedures involved in the White Paper; I further understand we're dealing with taxation law, we're dealing with several programs and that the process is complicated and it is possible some individuals might have fallen through the cracks in the floor we're trying to provide, and that it might be possible. So I'm not about to deny outright any constituent of mine who comes and says, I've been mistreated. What I can say to them is, I will investigate and that I am sure the Minister of Finance will investigate and, if indeed, some mistake is being made, then I will do my best to correct that mistake.

Mr. Chairman, the Member for Lac du Bonnet is itching to get into the debate and I'll give him a chance because I won't take much longer, because I would like to hear his detailed responses to the Minister's very detailed answer. But, Mr. Chairman, I know in terms of where I stand in the Progressive Conservative party, I know what my party's position is on Labour Unions and funding, and I know I support it. Now, I'm not sure where the Member for Lac du Bonnet stands within his own party on that or whether he supports his party's position on those issues. I know where my party's position is on the White Paper reforms, I know what their intentions are, or were, and I know what the basic effect of the White Paper reforms as being. I support the principle and I support the actual reality of what's happened, and I continue to be prepared, when some individual can show me that he's a loser and he's a low income citizen, I'm prepared to improve the program further, because we made large changes, we made substantial changes to the program. I believe it's working very well. Considering all the factors that we had to deal with and everything that had to be altered and the interrelationship of these various programs, I think that everything's worked very well so far and that we're fortunate that we have so few, because I've received only a very few phone calls and letters from individuals and I'm going to investigate each one of them; I've worked my way through.

To be exact, I missed the first part of the Leader of the Opposition's speech earlier because I was talking to a gentleman on the phone about exactly this situation. And when we got through with it, aha, when we got through with the conversation, I discovered that he indeed is a retired gentleman; he indeed is a constituent; he indeed is a supporter, but he indeed has an income, a family income, of \$35,000.00. I said to him, after we discussed it for some time, he came around to agreeing with me that maybe the tax credit relief and redistribution of income could be better spent assisting a pensioner family where the total income was \$6,000.00. When I got off the phone with that gentleman, and I believe that we had a very candid conversation, he agreed, when all the facts were explained to him about why the program changes were made and what the effects would be on other people, he didn't begrudge not receiving a hundred extra dollars, because he knows that the hundred extra dollars is going to a low income senior citizen or to a woman who's trying to support two kids on a minimum wage.

Members opposite are quick to criticize. They would have a lot more credibility with the voters, with the media and more creditability with other members in the House, if they took an overall approach. I'm not afraid to criticize members of my own party if they make mistakes and I'm not afraid to admit that they're not perfect and that it might be possible mistakes are made, but I'm willing to look at both sides. If members opposite did the same, if they were as concerned about how to make the program better and they were concerned about the extra benefits these programs are delivering, if they showed some concern for those issues, they might receive a more favourable response when they have to go out into their own constituencies and talk with people; because when I mention the senior citizens, when I say the program was aimed at stopping redistribution of income to people such as one of my colleagues at school. The man is a teacher with several years of seniority and a good teacher, he pulls down from the people of Manitoba \$27,000 a year for doing his job as teacher; his wife works on a part-time basis and makes \$6,000 a year, their children are grown up. You have there a family again and, under the old system, where that woman was able to apply for benefits under the tax credit system and receive some substantial benefits, because her individual income is low, but that shows a very false picture of a true family situation. The family situation is indeed of a family which is middle class and which does not require redistribution of income from the rest of us; it's not fair. The effort and money being saved can be used to help somebody who genuinely needs it. And when you explain that to people who live in my constituency, who are the ones who I'm concerned with and dealing with, they agree and then they say, what's all the fuss about. It's up to the members opposite. After having listened to what the Minister said, I challenge the members opposite to explain to me, what's all the fuss about.

MR. CHAIRMAN: The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, I think that the way to handle the question about what is all the fuss about, as suggested by the Member for St. Matthews,

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would be to set up an office where all of the complaints might be submitted, by all of those that have complaints, and the government would get the true feeling of what the people of Manitoba who file income tax returns, about what they think of those changes. I know that the government is rising to debate now because they have discovered in recent days that they are having some problem with the program, politically, and that's really the basis of their response today.

In the question period the other day the Minister of Finance talked about exaggerations when I mentioned that there were hundreds of thousands of people negatively affected by the changes. Well, Mr. Chairman, I didn't pick that out of the air. I recall that coming out of the debate of a year ago, and if the member wants to look at page 3954, dated May 23rd, 1980, he will find that the then Minister of Finance said that about 165,000 Manitobans would be removed from the Cost of Living Tax benefits, from a total of 465,000 Manitobans, they would reduce that number to 300,000 who would still qualify. So it is the former Minister of Finance that gave that figure a year ago. So we are talking in hundreds of thousands, Mr. Chairman, we're not talking about tens of thousands, and it is indeed not an exaggeration.

Mr. Chairman, the Minister likes to gloss over his program by pointing out to a whole series of other things that the government is doing in the social services field, in the income support area and, quite frankly, he has not given us the breakdown of costs in each one of those categories, relative to the revenues that are derived from the change in the Tax Credit Program; revenues somewhere in the order of \$15 million for 1980.

The fact of the matter is he has not refuted the arguments that were made last week with respect to people on the pensioner SAFER program, and the question that was put then and I put that question again, is what's the point of issuing the SAFER benefits on a monthly basis, and then recapturing almost every dollar at the end of the year; and that's really what's taking place. We end up with a bureaucracy that is responsible for implementing the program, moving a lot of paper around, filling a lot of application forms, or responding to applicants, issuing cheques monthly and then recapturing the benefits of those monthly payments at the time of the year when people file their income tax return, through a reduction in their tax credits equivalent to the benefit that they have received over the 12-month period prior to the end of the year. And so the question is obvious, what's the point of the exercise if all we're doing is building up expectations that the SAFER program is indeed designed to lighten the inflationary pressure, the cost of living, the cost of accommodation on pensioners when, at the end of the year, we take away every penny that they have received, by and large, almost in every case, Mr. Chairman.

The Minister hasn't told us how much SAFER costs for the calendar year 1980 for pensioners. We have a quarter statement in the Annual Report, which indicates that if you take it on an annual basis that there was about \$1.2 million spent. I would like to know out of the \$1.2 million spent, if that's the correct figure, how much is recovered through the

deductions from the tax credit. Is it \$1 million? Does that mean there was a net benefit of \$200,000 or was it three-quarters of a million? But, in any event, those are the questions that are not answered, Mr. Chairman.

But it is true that there are many many people, many many people who are filing income tax returns, are finding that even though they are in an income category which should place them in the area of benefit that, in fact, they are suffering net losses out of the change in the program. And that's why, Mr. Chairman, if the Minister is sincere about this program, about the idea that we're going to apply financial benefit to people who need it most, using his expression, Mr. Chairman, then there ought to be a threshold figure per household whereby below that there would have not been a net reduction of tax credit benefits. If that slogan, if that philosophy, makes any sense it can only be implemented if there was a threshold figure below which people would not suffer a reduction of benefits of the tax credit program.

So that has not been done, so therefore we have, at best, Mr. Chairman, rough justice, whereas we find people of modest income and very low income are subsidizing other people who are in worse circumstance. But the shift is not taking place from very wealthy to very poor; it is taking place between poor people.

MR. CHAIRMAN: Order please. The hour is 4:30 I'm interrupting the proceedings for Private Members' Hour and will return into Committee at 8 o'clock this evening.

IN SESSION

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. We're now under Private Members' Hour. The first item of business, on Monday is Private Members' Resolutions. The first resolution on the Order paper is Resolution No. 9. The Honourable Minister of Agriculture has seven minutes remaining.

The Honourable Minister of Highways.

RES. NO. 9 — MARKETING ASSURANCE PLAN

MR. ORCHARD: Thank you, Mr. Speaker. Mr. Speaker, I wanted to spend some time discussing the proposed resolution by the Member for Gladstone. In dealing with the Market Assurance Plan that has been proposed and has met with variable reaction by the farm community over the past several months. I think it's incumbent upon us, as members of this Legislature, and indeed I want to include myself in that group of the farm community because I still consider myself to be, not as active a farmer physically as I'd like to be, but nevertheless part of the farm community as well. I think there are a number of questions that we have to ask ourselves and ask of the Canadian Wheat Board Advisory Committee and the Wheat Board itself, on the details of this MAP proposal.

I think one of the first questions that has to be asked and has to be answered, Mr. Speaker, is why are we looking at such a proposal at this stage of the

game in the grain marketing industry. If we can put in perspective some of the answers we've been getting, one of the things we've been told that predicated the MAP proposal, was a desire by farmers to have some assurance that if they increased the production of grain up to the 1985 target that was set at the conference that our Premier called in 1978, that they would have assurance of recovering their costs or production at a bare minimum. Now that might be an admirable reason, but I don't recall, Mr. Speaker, any members in great number, of the farming community, whoever said that yes, we will meet the 1985, 50 percent increase in production target; but yes, we also want some assurances to do that. I think that the only assurance that the farm community wanted in meeting that 50 percent increase in production was in fact that the transportation system could indeed move that extra production to market, get it off the farms, get it to the markets that were identified to absorb this additional production that the Canadian Wheat Board told us is there, and that a various analysis of the world grains market has told us is there.

So, I don't believe this map proposal really answers any of the concerns that were put forward by the producers themselves. I don't believe any producer was concerned about a storage program; he was concerned about a movement program, Mr. Speaker.

The second question that I think we have to answer, and this one's much more difficult to answer, is who developed the proposal, who was the brainchild of the proposal? Now, we've had — (Interjection)— I stand corrected by the Member for Elmwood. Who was the author of the proposal, who's brainchild was it? I think we can get a number of answers.

It has been said that the Canadian Wheat Board Advisory Committee developed the program — although some members of it indicate that they weren't in on the policy formulation — but one thing I do know, Mr. Speaker, is that prior to the Canadian Wheat Board Advisory Committee meetings in the various constituencies, mine included, there was one gentleman who was very actively proposing, or a very active proponent of the MAP program, although it wasn't identified as such but it was a conceptual plan, and that was one gentleman who is a member of the Canadian Wheat Board Advisory Committee from Saskatchewan, Mr. Roy Atkinson; and that has been some of the problem with the program, that farm groups have considered that just quite possibly this was the brainchild of the National Farmers Union and have a certain amount suspicion of a program that may have been developed by them and attempting to be sold by them; and furthermore, some of our Manitoba farmers do have some suspicion as to programs which are proposed from members of the Wheat Board Advisory Committee from Saskatchewan, because the natures of our agricultural production and our agricultures are quite different between the two provinces, and what may be of an extreme benefit in Saskatchewan, namely where wheat production takes a large portion of their grain acreage, may be important to them but not necessarily important to Manitoba producers, so that who developed the proposal is indeed an important question that has to be answered.

Another question that has to be answered, Mr. Speaker, is what grains are included under the proposal? As I understand it, it's going to be primarily targeted for wheat and barley, but nevertheless would include oats and rye. Now that leaves by that answer of the question, the very unanswered portion of it is, what grains are excluded? I think it's fair to say, Mr. Speaker, that two very important crops, namely rapeseed and flax are to be excluded from the MAP proposal, and that has some very very serious implications to the production patterns in Manitoba particularly and also in Alberta, that I want to address and point out to members in the House.

Another very important question, Mr. Speaker, that has to be asked is, how will this MAP proposal impact on our feed grain market? You and I both know, and members on this side of the House and indeed members opposite, know that the east side of the Red River Valley in Manitoba is an net importer of feed grains. Now, how will a policy and a program like MAP which purports to pay for grain in storage to the farmers at the end of the crop year, how will that kind of a program impact upon the free movement of feed grains within the province? If it has any negative effect on either the movement or the pricing of our feed grains within the Province of Manitoba, I think we all must be very serious about that kind of an impact because our livestock markets and our livestock producers, from time to time and now is no exception, can be very hard pressed with both supplies and the pricing of the animal feed stocks and the animal feed grains in this province, and we have to know as legislators, and I think all farmers as producers have to know, how this program will impact on the availability of feed grains for the livestock feed market in the Province of Manitoba.

Another very important question, Mr. Speaker, that has to be answered is, who controls the quotas, the delivery quotas? Now, we already know that the Canadian Wheat Board sets the quota levels through the Canadian Wheat Board delivery system. Now, that gets me into my question as to what grains — and I want to ask another question that we have to know is — who allocates the cars towards grain movement? We know the answers to those questions right now. We know that the Canadian Wheat Board sets the quotas today. We know that the grain transportation authority is responsible for the allocation of the car fleet to various delivery needs. We also know that the grain transportation authority has a finite life which is extendable only at the grace of the Federal Government. It was not created by this present Federal Government — and I have seen no extreme evidence that this present Federal Government would extend its mandate — so that if we did not have the grain transportation authority controlling the allocation of grain cars and rolling stock in the Prairies on behalf of the Canadian Wheat Board, then the only other person that it would fall to would naturally be the Canadian Wheat Board, in the role that they had before the Grain Transportation Authority came on the scene.

Okay, place together the three facts that, (1) the grains that are going to be under MAP are wheat, oats, barley and rye; place under the fact that the Canadian Wheat Board has the ability to set the

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quotas on those four grains plus flax and rapeseed and lay the potential third answer to my questions, that the Canadian Wheat Board at some future time would have control of the allocation of cars.

Now I suggest, Mr. Speaker, that may well represent a very serious situation to producers of oilseed crops in Manitoba, in Alberta and in Saskatchewan, but bearing in mind that Saskatchewan's agricultural production does not dwell as heavily percentage-wise, as ours does in specialty crops, in flax and rapeseed, the impact on Manitoba could be much more severe, of the scenario I am developing in Manitoba, than it would be in Saskatchewan; because if the Canadian Wheat Board by a MAP proposal, has to purchase the carried-over stocks of wheat and barley as two of four grains, but not the carry-over stocks of rapeseed and flax, and they have the ability to set the quotas and allocate the cars then, Mr. Speaker, I think we have to ask ourselves the question, will the Canadian Wheat Board allocate cars to wheat and barley in an excessive proportion and leave the flax and the rapeseed on the farms because they do not have to buy that at the end of the crop year and pay the farmers their initial price on it? If that is what would develop out of the MAP system, I don't think any producer in Manitoba could support that kind of a program development.

Now, I don't know whether the Member for Ste. Rose would support that or not, he may well do, but I think that is a very serious implication and a very serious series of questions that have to be answered before any Manitoban, any Manitoba producer, can make the logical decision as to whether MAP is to his benefit and will more importantly, Mr. Speaker, help to get rid of the grain from the farms and move it into the world market system.

Now, another important question, if we can't resolve or if we don't get the answer to who allocates the cars, the quotas and the grains, what grains are under it, if we don't get the answers to that then, Mr. Speaker, I would suggest we should not support any participation in a MAP program until we get those answers.

Another important question, Mr. Speaker, that has to be asked is, where does the money come from for this proposal? If this money comes from the final payment pool as has been indicated up till now, then I suggest with all due respect to anyone who would care to make an analysis of it, that there will be no final payments, that those final payments will be eaten up each and every year simply in purchasing carried-over grain.

Now I don't believe that any farmer would want to go into a program that would have only that level of funding. This is where it's important to find out whether the Federal Government is indeed in part authorship of this program and is going to support it financially, because I suggest, Mr. Speaker, that we cannot use farmers final payment money to finance this program and deprive them of their final payments in the January, February, time period that we have become used to having them paid out to farmers. Those don't represent a bonus to farmers, Mr. Speaker, as you well know being a farmer. They represent only a payment of value that the farmer should have. It's not as if it's overtime, it's the true value of his product that is receiving, and any

program that would decrease, or delay, or avoid making that final payment, has to be seriously questioned as to its total benefit to the farm community.

So that's a very important question, is where does the money come from? Is it going to be strictly internal revenues from the Canadian Wheat Board or are we going to have Federal Government supplementation of this program via further voted funds to it? I don't think any member in this House can answer that question, and I don't further believe, Mr. Speaker, that any member on the Canadian Wheat Board Advisory Committee can answer that question. But that's an important question that must be answered before any decision is made.

The other important question that has to be asked is, why was there such an apparent haste in bringing in this program? Only two months ago when this program was in its fledgling stage and was being talked about and rumoured about throughout rural Manitoba and the rural Prairies, it was indicated that program was going to be in place and operative on August 1st of 1981. Now that, Mr. Speaker, was immediately refuted at the first meeting which happened to be in my home town of Miami, by our representative to the Canadian Wheat Board Advisory Committee — he said no, that there is a great deal more work has to be done — but yet I firmly believe that had not some of the criticisms on this program surfaced in the kind of way they do with issues facing the farming community, that program may well have been in place now for this fall; without the kind of discussion it needs; without knowing the implications, the financial implications; whose financing it; whose controlling it, and what the purpose of the program is? So, I have to congratulate the farm organizations who voiced their serious questioning of this MAP proposal as it appeared in fledgling stage, because I think they were very very successful in assuring that this program will not be implemented until some very very pertinent questions are answered.

I think the most important question that has to be answered, Mr. Speaker, — and I know you will appreciate this as a member of the farm community — the most important question that has to be answered is, why we are moving in this direction at this time and this stage of agricultural development in Western Canada? We are told, Mr. Speaker, and we have been now since 1978, that Canada can increase its volume of sales on the world market. We have been told that on a number of occasions by a number of people including the Federal Government, both the Conservatives and the Liberals; we have been told it by the Canadian Wheat Board; we have been told that fact by a number of knowledgeable people in the grain market and it only makes sense, Mr. Speaker, that is possible, because our American friends in the decade of the Seventies, I think they doubled their grain shipments in the decade of the Seventies, whilst we only increased ours by some 8 to 10 percent.

So the market was there for them, it has to be here for Canadians, for Canadian farmers, for Prairie farmers as well. So if the market is there, Mr. Speaker, why are we now, when we have a grain system which is going to be by and large empty for this fall because of the low production from last year,

and a grain system that has been functioning under the Grain Transportation Authority, the best best it's functioned in the last decade probably, why are we going in and being proposed to enter into a program which does what? Which stores the grain on the farm rather than moving the grain.

It strikes me as strange, Mr. Speaker, that we would be, after clearly having it demonstrated in the decade of the Seventies, that our biggest bottleneck was transportation in the marketing of our grains. Why are we dedicating effort, program policy and funding towards the storage of grain and not the movement of grain? I think, Mr. Speaker, that is the most important question that all producers are asking now. Unless they get an answer as to why it's more important to store grain on farms rather than to move it to terminal position for sale on the world market, unless they can get a logical answer as to why that makes more sense than moving it, storage makes more sense than moving the grain, then I don't think you are going to have any farmer, with the exception of very few, endorse the MAP program as it is seen here, because farmers are smarter than many other businessmen.

They know that if the volumes of grain in storage are identified, which they will be under this program because you put down the volume of grain that you have in storage, that you wanted to sell in that crop year, and it's identified and it's known, and farmers know that if you have an inventory which is identified and it's sizeable, it has a depressing effect on the market price of grain, on the price that they can get for it because supply, when it's in excess, depresses grain prices. We have an elastic demand supply ratio in grain marketing and we have always have and we always will.

Farmers are very very cautious at any move which will identify the volumes of grain that are currently in storage on the Prairies, to tell the marketplace that we have a surplus and to tell the marketplace to react and lower the price. Farmers too long have said, we are bearing the brunt of a cheap food policy in Canada and they are not willing, Mr. Speaker, to bear the brunt of a cheap food policy for the next decade as they have for the past 100 years in Confederation. So that farmers, when they see the potential of a program which could have some Federal Government involvement and a Federal Government which, by and large, has always favoured a cheap food policy, Mr. Speaker, when they see a program which may have the potential earmarkings of lowering the price of grain, by identifying surplus supplies, they don't want to get into that program.

On the other hand, there isn't a farmer in Western Canada, and certainly not a farmer in Manitoba, that would not fully endorse any program, Mr. Speaker, which would dwell on the movement of that grain; on the getting that grain from the farm to the world market and selling it and returning his dollars direct, not from internal dollars of his own, but from brand new export dollars, from foreign exchange dollars that come into this country. Every farmer would support a program to transport and move the grain, but very few farmers in the cold hard analysis of this program are going to support it if all it's going to do is store the grain, cause a surplus and depress the prices in the prairies; which may well happen

because many of us in this caucus and on that side of the House can remember just those kinds of things happening.

I can remember 1969 where oats were selling for three for a buck in Saskatchewan; I remember that all too well, Mr. Speaker, because I was trying to sell fertilizer to those same farmers and you couldn't do it. But you give those farmers the opportunity to move their grain at an economical price and get rid of it and they'll produce your 50 percent without a market assurance plan, only with a marketing plan which is going to transport the grain, get it into position on the world market and bring the revenue home from the foreign market and not use their own dollars in a recycled manner, Mr. Speaker.

So I think a lot of questions have to be answered, Mr. Speaker, before this proposal can ever be adopted by the prairie grain farmers and I would ask all members in this House to support striving for the answers to those questions, Mr. Speaker.

MR. USKIW: Well, Mr. Speaker, I suppose in the 15 or 16 sessions that I have attended this is the first time that I have been confronted with a resolution where I can agree with the conclusion; but my problem is that I don't agree with how the members opposite arrived at the conclusion and that's where we differ, Mr. Speaker. I hope that if members opposite take time to peruse the amendment that was put forward, that they might find it within themselves to accept it, because I believe it is the kind of amendment that shouldn't bother anyone, Mr. Speaker, because it confirms the same conclusion. All we have attempted to do in this amendment, Mr. Speaker, is to properly reflect what, in fact, is the situation with respect to the MAP proposal and where the members of the government have imputed this action, to the Government of Canada, it is in fact not the case, and all we are trying to do is to point that out and to correct that in our amendment to the resolution.

It is not the Federal Government that is now proposing MAP, it is indeed the Advisory Committee of the Canadian Wheat Board. I agree that before we do anything with it, that it ought to have fairly extensive debate and should have general support of the people that are going to be affected by it and that would be participating in the program.

So really it's difficult for me to take a lot of time here condemning the Member for Gladstone for introducing the resolution, because I think the intent in the end is okay, there is nothing wrong with it. But let's not flog the Government of Canada over it, let's make positive recommendations to the Government of Canada, through the Canadian Wheat Board, through the Advisory Committee, which is heading up the discussions. I think the advice that is suggested in the original motion and indeed in the amendment, although it's somewhat different in wording but intends the same thing, is something that should be acceptable to every member of this House, Mr. Speaker. It would be a good idea, Mr. Speaker, if we did have a resolution on this question that was acceptable to every member of this Assembly because that certainly ought to add some weight to the position that we have vis-a-vis the people that are promoting the idea, that are holding the discussions and who are going to be making the recommendations some months down the road, perhaps even sooner, I don't know.

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If you read the whereases in the original motion, it says, the Federal Government, through the Canadian Wheat Board, are promoting a major change. Well it's agreed that could be a major change in marketing policy, but one has to recognize that it's not a major change with respect to the concept, because many producers have entered into all sorts of contracts with grain buyers everywhere, Mr. Speaker, it's not a new concept. It may be new to the operations of the Canadian Wheat Board but certainly, because it is new doesn't detract from the fact that it may be a worthwhile venture on the part of the producers and, indeed, the Canadian Wheat Board, depending on how it's set up, depending on whether it's voluntary or compulsory. There are all sorts of questions that come to mind, Mr. Speaker, but certainly I don't think that we would be responsible if we question the idea before we know exactly what it is that is being proposed.

Now it says also that there has been no official consultation or discussion between the Federal Government and the Province of Manitoba and, here again, I think that the resolution is somewhat ahead of its time. You know if you're flying a kite, if you like, or a balloon on an issue, I'm not sure that is the time where you have some formal discussion between Ministers of the Government of Canada and the Provincial Governments. I think you have to first float the idea; you have to have a lot of discussion; have some input; have reports come back and then, before you implement, that would be the time to perhaps have some discussion at a higher level. But still, Mr. Speaker, we shouldn't leave the impression that if a provincial government somehow has some hangups about it, that that should override the feelings of the people who are directly involved, namely, the producers of agricultural products. They are ultimately the ones that should be making this decision and not the politicians in this Chamber, although we would want to be cognizant of all of the ramifications; you would want to know how it's going to be operated; what kind of financing it might involve on the part the Government of Canada, if any; and what implications it may have on the industry as a whole.

So, Mr. Speaker, I have no problem in indicating in advance that, in principle, we agree with the concept of a great deal of discussion. I don't know if one needs a referendum on something like that, depending on how the proposal is put forward, but that's certainly not beyond anyone I'm sure, given the fact that in that method it would be decided by the majority of producers.

The Resolved portion of the proposal from the Member for Gladstone, says that, THEREFORE BE IT RESOLVED that this House oppose the implementation of this proposed Marketing Assurance Plan until it has been fully explained, considered and generally accepted by a majority of Manitoba grain producers. Now I presume that what the member has in mind is a referendum; I'm not sure. But I'm not sure that I would be hung up on a referendum ultimately, you know if it seems to me that there is general support, and certainly the public meetings that the Advisory Committee is holding shall indicate whether there is overwhelming support for it or not. I think that should be the determining factor, as opposed to entrenching a position where we would, in fact, require a vote on the question.

But that's a very small point, Mr. Speaker, and in that connection you will notice that we have changed the Resolved portion so that it would read that we request the Canadian Wheat Board Advisory Committee and the Government of Canada not to implement the said plan until such consultations have been taken place. Mr. Speaker, what else is there to say about it, other than one can allude to a lot of history in agricultural marketing of various commodities and certainly commodities that are marketed through the Canadian Wheat Board and, in relating to that history, get hung up on old ideas and not be prepared to venture out and look at new concepts; and certainly I don't believe that members in this Assembly want to be hung up on things of the past, Mr. Speaker. If there is a possibility of innovation, which might have some advantage for our producers, might have some better input on the part of governments, the Canadian Government in particular, then it seems to me we ought to take a positive resolve, take it as a resolution to the Canadian Wheat Board Advisory Committee and hopefully, in this instance, Mr. Speaker, it could be one which involves the support of every member of this Assembly.

In making those comments, I suggest to the Member for Gladstone, that if he's not ready to come to that kind of consensus, that perhaps we need another few hours of debate, I don't know, but I don't see a great deal of difficulty here, in principle. Let's come up with something that we can all endorse, Mr. Speaker, without presuming in advance that there is something wrong with the proposals that are now before us.

MR. SPEAKER: The Honourable Member for Rhineland.

HON. ARNOLD BROWN: Thank you, Mr. Speaker, I would just briefly like to speak on this resolution which was put forward by the Member for Gladstone. It is an area of concern to my constituents who are farmers and many questions have been asked about the plan.

I was pleased to hear that the Member for Lac du Bonnet really has no particular hangups, except maybe a few as far as wording of the resolution is concerned, and I sincerely hope that the members on the Opposition will be able to support us in this resolution, because it is important that all of us agree on the concerns which have been expressed.

I think just about everything has been said really on this resolution that can be said at the present time because it has not been fully explained to us and really we are just dealing with a lot of questions. The farmers are asked to approve something that has not been fully explained and the answers so far have not been forthcoming.

Now I think the thing that must concern us the most is that there really has been no discussion between the people who are promoting this plan and the provincial government. We don't really know how it's going to affect the grain producers and we feel that everybody should be fully informed as to what effects this is going to have on the producers. What will be the impact on the agricultural community? Who is going to be paying for the cost of this storage; the farmer? If the Wheat Board is going to be paying for the cost of the storage, this still is the

farmer. The only way that some of this cost possibly could be alleviated is if the Government of Canada would step in and say that they would be bearing the cost of this and, then again, Mr. Speaker, we're all taxpayers so still we would be saddled with part of this cost.

I think that we have to ask ourselves the question, who is really going to be the beneficiary of this particular form, or is it going to be the large farmer, the small farmer? Which province is going to be the beneficiary, is it going to be the Province of Alberta, Saskatchewan or Manitoba?

If the price of the bushel of grain is going to be lowered, because the storage will be deducted from the payment, then certainly the large farmer is going to benefit more than what the small farmer will because the small farmer is not going to have that much grain in storage and possibly will have been able to market most of his, whereas he'll be forced to have a large deduction on his price per bushel because he has to subsidize the larger farmer. So these are some of the questions that need to be answered. Just exactly how is this program going to be implemented?

Then you must wonder, Mr. Speaker, whether this program really is necessary. Are we really addressing ourselves to the problem that is confronting the grain industry? I think that the Minister of Highways expressed this very adequately when he said that the cause really was transportation.

That certainly is the No. 1 cause. We cannot get our grain to the port facilities. What about these port facilities, is the problem that we have a lack of storage? Is the problem that there is mismanagement at the port facilities where at times we have the wrong kinds of grain stored at the wrong time? When somebody wants to buy barley, we have the facilities full of wheat, or if they want number three wheat it's full of number two wheat; all these are problems that need to be ironed out, and you wonder how much of our problems are possibly mismanagement and not being aware of the grade or the kind of grain that is going to be required.

The railways of course are going to have you believe that it is the Crow rate, that's where your problem lies and that they have no interest in moving grains until such a time as the Crow rate is going to be increased. I think that these are the kinds of things that we should be addressing ourselves to. We should be talking to the railways; we should be talking to the Federal Government; we should try to arrive at some kind of agreement where we can move the grain to the port facilities, so that we could eliminate the number one problem, and then of course a program such as this would certainly not be necessary.

I think one area of concern which already was expressed is that the Minister responsible for the Wheat Board had made a statement that this program was going to be in effect in the new crop year, and this certainly must be a very big concern to us because there is no way will the farmer be able to have an opportunity to have an input in this program if they are going to move that quickly on it, because there is no way that they will be able to adequately inform the farmer, so this is another area of concern.

Mr. Speaker, even the Wheat Board Advisory Committee members are not in agreement with this

program. The Alberta advisory members for instance refused to try to sell the plan, and Mr. Duchant says that there are two things as far as he is concerned that will encourage farmers to grow more grain and that is high prices and empty grain bins. So you must be concerned about the program if the people who are promoting the program themselves cannot agree as to what type of a program we should have.

Now, what is going to happen to the open market? Will we still be allowed to sell grain on the open market or will we have to market all our grains through the Wheat Board? It's another area of concern which has not been explained.

So, Mr. Speaker, all I can say is that we have discussed this resolution at great length. We have asked many questions and we have really not received these answers from the people who are promoting this plan, and I would hope that we would support the resolution of the Member of Gladstone who is requesting that we do not go ahead with this plan until these answers are forthcoming.

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

MR. ADAM: Thank you, Mr. Speaker. I wasn't sure, but I thought this resolution would carry on for weeks. I thought it was a very important resolution and I thought we'd have more people on the government side willing to participate.

Mr. Speaker, I believe that the amendment we have brought forward was almost identical to the resolution, not identical but similar to a resolution that the Member for Gladstone presented in his resolution, but I think what the intent was, Mr. Speaker, was to make the resolution of the Member for Gladstone a positive resolution rather than a negative resolution and that is the position that we took.

We thought that while we agreed with the sentiments, the "Be it resolved", we said, why be negative? Why not be positive? This is something, while it's not a new concept because we know that farmers have been producing grain under contract with private companies for years, but let's be positive rather than negative. We read the resolution and then we find that the Minister of Agriculture gets up and he tries to shoot it down. He shoots the proposal down before it even gets off the ground and this is why we say that the resolution, the way it's worded, is negative.

In our attempts to amend it, we tried to present a resolution that would be acceptable and make the resolution more positive, because we feel that is the way the proposal came forward and that is what is happening. There are meetings being held throughout the provinces, Mr. Speaker, to discuss this, and here we have a resolution that says, let's not agree to it until we have meetings and discuss it. So it seems to be putting the cart before the horse, because we are having at the present time — and there has been ongoing meetings on this proposal and well there should be, and we agree with that — but the Minister says, no, let's shoot it down, we don't want to talk about it, it's no good. The resolution proposed by the Member for Gladstone doesn't say that, it just says let's not support it until we discuss it further, and that's what our amendment does also, it has the same end. We say that yes, let's

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have more discussions, so we don't disagree on that point. But where we disagree is that the member tries to leave the impression that it is the government that's proposing this, there's government involved.

Now I haven't heard anywhere, nor have I heard any proof anywhere that is the case. What we have heard is that there was a proposal put forward by the Wheat Board Advisory Committee that they were going to advance a proposal and it was in the very formulative stages, and there would be ongoing discussion with farmers throughout the west, get their views on it, and even the Minister of Highways did say in his remarks — and I think he really contradicted himself because he mentioned at the very first meeting that was held in Manitoba, he says in Miami, in his own town — that the farmers there were advised that there was no particular hurry, that there was no way that the proposal could be put in place for the next crop year. So, Mr. Speaker, there seems to be a contradiction in what the Minister of Highways says in his statement. It was the first meeting. What other meetings did they have to advise the people that it would not be implemented or that it would be?

The members opposite I believe are opposed to this. They are opposed to it not from what it may do or what it may not do. We see a pattern here again, where they are opposed to this kind of proposal. They are opposed to the Wheat Board; they are opposed to the statutory Crow rate; they are opposed to all these things, Mr. Speaker. You see the same story coming from the same groups. The Member for Rhineland indicates that while it's the Crow rate that maybe is the problem and the Minister of Highways also indicates that it's a transportation problem.

Mr. Speaker, the Hall Commission — the railways are asking for a compensatory rate, they want more money to move the grain — and the Hall Commission Report recommended that the railways be paid a compensatory rate for the movement of grain and the four western provinces approved that report, Mr. Speaker. But who opposed it? Who opposed compensatory rates? The two railways, Mr. Speaker. Here was a recommendation that said, let's give the railways a compensatory rate; that's the Hall Commission report and all the four western provinces agreed to it. But who opposed it? Those who would get the money, those who would get paid compensatory rates. So let us not get that red herring into the issue because that will come up again, Mr. Speaker, the fact that the railways are not interested in a compensatory rate, because they turned one down. They turned it down when they rejected the Hall Commission Report. So, to tie in transportation with this is what I call a red herring, because that's what it is.

They are saying no, that's the problem, that's the problem, and I agree with a lot of the comments that were made by the Minister of Highways and the Member for Rhineland, there are a lot of unanswered questions that we have to know. We have to consider all these implications, such as who is going to carry the costs, certainly? I would not agree that if I as a farmer, have to pay myself storage to store my own grain. Why should I? Mr. Speaker, sure, we've got to have all these answers. I mean to say, this is

what we have to find out. We have to find out whether we're going to be taking out of one pocket to put in the other pocket, of course, that's what I am trying to say. Okay, there are a lot of unanswered questions that we have to look into on this proposal, certainly.

Again, if we're going to pay the farmers for on-farm grain, should he be paying himself for it? That's what would be happening if it comes from the Wheat Board and I agree with a lot of the things that were said there. There is nothing wrong with that. The only thing that we disagree with the resolution is the way it was intended to sidetrack the issue. It was Ottawa bashing, that's all it was. It was trying to hit on the Federal Government and I think it does a disservice to maybe a proposal that has a lot of merit. Let us discuss it. Let us discuss it far and wide with farmers all over and let's find out what their views are.

Another position that I object to, Mr. Speaker, is the suggestion that before they start talking with farmers we have to talk with the Provincial Government, I disagree with that because what the member is saying or what the Minister of Agriculture is saying — and I believe it was he that said it — that if there's a proposal coming forward from the Wheat Board Advisory Committee that they present it to the government and if the government doesn't like they reject it, then that's it. The farmers don't have any say whether they want to or not.

So I think, again, we're putting the cart before the horse. I think that it should receive wide discussion, to hear all the views of all the different groups and all the farmers and find out what they think about it and if they want to go for it that is the time, that is then the time, Mr. Speaker, that once the recommendations have gone back to the Advisory Committee and to the Wheat Board, the Wheat Board then presents its proposal to the Minister responsible for the Wheat Board and that is when, and then the Minister will start discussing with the Provincial Governments. It seems to me that that is the way things are done, Mr. Speaker, in this province.

So, I would say again, that we would hope that members opposite would accept the amendment that we have brought forward because what we have done is make a negative resolution into a positive one for the western farmers. That's what we have attempted to do, is turn a negative resolution into a very positive one.

Now it has been mentioned about a referendum. My colleague from Lac du Bonnet said he didn't have too much hangup about a referendum. I don't either providing it is done right; depending on the wording of what the resolution is. Because I recall, Mr. Speaker, when we had a referendum on whether oil seeds should go back under the control of the Wheat Board, which was lost by a very narrow margin, what they did was, they said yes. They asked the farmers, do you agree that oil seeds should go back into the Wheat Board? Answer; yes or no, or don't know. They had three options and when they tallied the yeses and nos, they put the don't knows in with the nos. So what happened, Mr. Speaker, is that they should have divided those equally. That's what they should have done. —(Interjection)— That is how they did it, Mr. Speaker; that is how the referendum took place under that proposal to put oil seeds in the Wheat Board.

The farmer had three options. He either said yes, I want the oil seeds under the control of the Wheat Board; no, I don't want the oil seeds under the Wheat Board; or I don't know whether I want oil seeds in or out of the Wheat Board. But when they tallied the vote, they said, well so many farmers said don't know, so many said no, so many said yes, and then the referendum was lost to those who were in favour of putting the oil seeds under control of the Wheat Board.

So I would say that kind of a resolution is nothing but a farce. There is no room for fence sitters or don't knows. There shouldn't be such a thing. You either say yes or you say no, and that's the end of it.

MR. SPEAKER: Order please. The honourable member has five minutes.

MR. ADAM: Thank you. So I have some concerns about a referendum. I would favour a referendum providing there is proper wording of a resolution saying: Are you in favour of a Market Assurance Program? Yes. Are you in favour of a market assurance program? No. Either one. But no I don't know whether I'm in favour or I'm not in favour. That is a farce, Mr. Speaker, and that's what they did when they had the last referendum on whether or not oil seeds should come under the jurisdiction of the Wheat Board.

So had they not put that other option in there, the yeses would have carried. The yeses would have carried the day, Mr. Speaker, and because the majority of the farmers who are not sitting on the fence, who know what they want, and they don't want it in the Wheat Board, they made a decision, and there was less of the nos than there were of the yeses, but it's the don't knows that changed things around. —(Interjection)— That's pretty difficult to do that. They're a bit disappointed.

There was another proposal. I think I touched on it, the Minister of Highways suggested that it's not a problem of storage that is the problem but rather transportation. I covered that because I said that the railways were not interested in the compensatory rate because it was offered to them and they turned it down under the Hall Commission; they didn't want a compensatory rate. But I want to say this, that farmers are not going to go out and produce the grain unless they're assured that they're going to be able to deliver; there's no doubt about that. I think that the projections that have been coming out, by 1985 we're going to have to increase our production to 30 million bushels, 30 million tonnes a year, I think is a bit overly optimistic. I hope it can be achieved, but I have my doubts because that's overly optimistic.

We will see. There is some skepticism to that comment, Mr. Speaker, but we will see when 1985 comes around. I can tell you right now, Mr. Speaker, in speaking to some of my farmers that they're not all that enthusiastic of what is happening in the farm economy at the present time. They're not very happy with the input costs and everything else, the cost of fertilizers and so on, and they're trying to look around to see where the alternatives are.

In closing, there was only one other comment that was raised, and that is that the committee was not in agreement. There were some of the committee members of the Wheat Board advisory committees

that were not in agreement to this. But Mr. Speaker, that's an elected group who operate under a democratic system and the majority rules. What they should have had is a referendum. If you don't like it, they should have had a referendum to say yes, no, I don't know. That's what you should have done, that's what they should have done, eh? They should have said yes, no, I don't know. No, the majority of that committee approved of this proposal, they took it out, they said, yes, go out, they're not shoving it down anybody's throat as has been suggested by the Minister of Agriculture. There's no such thing as shoving it down anybody's throat, they're going to have full discussion on it and the more discussion the better.

So I say the resolution that has been put forward, the only thing wrong with it is that you're Ottawa-bashing and you're distorting the whole situation and what we have done with the Member for St. George's amendment makes your resolution, turns it in from a negative one to a positive one and I certainly urge you to support the amendment that's proposed by the Member for St. George.

MR. SPEAKER: The Honourable Member for Springfield.

MR. ROBERT ANDERSON: Mr. Speaker, I had not intended to speak on this resolution but after listening to the Member for Ste. Rose telling us that their amendment made the resolution of the Member for Gladstone into a positive one, I would like to speak against the amendment and in favour of the resolution. But I would like to point out to the Member for Gladstone that perhaps he was entirely too positive towards the market assurance plan and I'll attempt to speak to that when this matter next comes up.

MR. SPEAKER: Order please. The hour is 5:30. The honourable member will have 19 minutes when this matter next comes up.

The Honourable Government House Leader.

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

MOTION presented and carried and the House adjourned and stands adjourned until 2:00 p.m. tomorrow (Tuesday).