

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 8 April, 1982

Time — 10:00 a.m.

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. D. James Walding (St. Vital):** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. VIC SCHROEDER (Rossmere):** Thank you, Mr. Speaker. I have a statement to make. I have copies.

It is my pleasure to announce in the House this morning plans by this government to launch a new \$2.9 million Provincial Student and Youth Employment Program. There are two components to this new program. The first is a Career Internship Program which is designed to give students meaningful employment and career-related work experience from May until September. Wage assistance based on the minimum wage will be made available to non-profit organizations, community groups, smaller municipalities and local government districts so they can create jobs that will enable them to provide much needed services to our communities. At the same time, the jobs created by participants in this program must provide the student with valuable job experience.

Small businesses with ten or less employees and farmers will also be encouraged to participate in this program. They will be eligible for wage assistance equal to a portion of the applicable minimum wage or, in those instances where disabled students are employed, full minimum wage assistance. Participating employers will be asked to provide between a minimum of 210 hours and a maximum of 640 hours of work. All positions will be for a minimum of 35 hours per week. Potential employers will be asked to provide information on the career-related features of their proposed positions, training to be provided and the skills to be acquired by the student employee. All prospective employers and students will be matched up through the Employment Services Office of the Department of Labour and Manpower or the local Hire-a-Student Centre.

The second part of this initiative is the Career Exploration Program. It will be designed to have employers create jobs for unemployed youth during the period of November through until March. A wage assistance plan similar to that of the Career Internship Program will be used. Details of the program will be announced at a later date.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. STERLING LYON (Charleswood):** Mr. Speaker, we welcome the announcement by the Minister of Labour with respect to the initiatives that he has given us this morning, details of which are still to come with

respect to the second portion of the plan.

Mr. Speaker, it would appear from the brief explanation that we have had that he will be following in this program many of the fundamentals that were already in place with respect to the Youth Employment Program, which has been successfully operated in the province for the past two to three years. I'm sure that because he has said this is a new initiative, there must be new aspects to it, which have perhaps escaped us in the announcement that he made this morning. In any event, we would certainly, on this side of the House, counsel him to make sure that the successful components of the existing or heretofore existing Youth Employment Program be kept in place, and those successful components largely were these: that the jobs that were created, the jobs into which young people were hired were real and meaningful jobs in the private sector, and wage assistance was given through the program to employers of small businesses in the private sector with the result, and I don't have the figures in my head, but with the result that many of the young people who were hired for summer employment stayed on in real meaningful jobs in small business in Manitoba, thereby expanding real and meaningful employment, and not reverting back to the faded and worn and discredited idea of make-work through government employment, scrub cleaning and all of that kind of unfortunate work experience that we have seen in the past which is not meaningful, which does not create useful jobs in the private sector, and which becomes really a drag on the community and a frustration for the people who are led into that kind of job.

So we would hope, Mr. Speaker, that the Minister would avoid that kind of make-work syndrome which was apparent in some of the earlier programs that were practised by the Federal and Provincial Governments. I think we have learned from the experience of the last few years that a modern youth employment program must be involved in real and meaningful jobs in the private sector, and we would hope that would be the main thrust of this program.

The second comment I would wish to make, of course, Mr. Speaker, would be this: that this program may well need to be supplemented given the figures that we have this morning from Statistics Canada showing that unemployment in Manitoba has risen dramatically this month over what it was a year ago, and that the people who are suffering most from unemployment are, of course, people in the young category, I think it's age 19 to 25.

So, Mr. Speaker, we welcome any new initiative that can be taken to give some hope to young people as they pass through what appear to be times that are growing even worse, notwithstanding the promises made by my honourable friends that unemployment of this nature would not occur if only they came into office. We are finding that they now are not King Canute and that they must come forward with meaningful policies that are going to be in persuasion and in respect to the solemn promises that they made to the people of Manitoba, that precisely these statistics would not be taking place in Manitoba.

Well, Mr. Speaker, we're waiting; the people of Manitoba are waiting to see what new ideas these people across the way can come up with against the kind of recession in which this country and this province are at the present time. What are they doing, Mr. Speaker, with respect to major projects that were left on the table for them to bring to successful conclusion, which could well have obviated the necessity for make-work programs of the type my honourable friends are too famous for?

So, Mr. Speaker, while we support the kind of youth employment program that was in place before, because it will give meaningful help to young people, what is this government doing about helping to create real, meaningful, long-term jobs in the private sector through such projects as the Western Power Grid Inter-Tie, through such projects as an aluminum smelter, through such projects as a potash mine, through such projects as a multimillion dollar investment in ManFor, which would create many hundreds and thousands of new jobs in the north? What are they doing about those projects which will bring real and meaningful impact to these abominable statistics on unemployment which we are faced with this morning. I realize, Mr. Speaker, that my honourable friends don't wish to hear the truth. I realize that they don't wish to hear the truth but they will continue to hear the truth.

**MR. SPEAKER:** Order please, order please.  
The Government House Leader on a point of order.

**HON. ROLAND PENNER (Fort Rouge):** The Leader of the Opposition well knows that there may be a brief response to a Ministerial Statement but that is not the time to open up a debate. He's had his opportunity, we listened to his three-hour diatribe at the time of the Supply Bill and the Loan Bill. Enough is enough. Even the patience of this side of the House can be tried. This is beyond the tradition of the House and it's beyond the rules of the House to turn a Ministerial Statement —(Interjection)— It is an abuse of the privilege of the House, and that's exactly what it is.

**MR. SPEAKER:** I thank the honourable member for bringing that to the attention of the House.  
The Honourable Leader of the Opposition.

**MR. LYON:** Thank you, Mr. Speaker. I was concluding my remarks, Sir, in any event, and I might just say that I don't think any of us on this side of the House, or on that side of the House, or indeed you, Sir, need any instruction on the rules from the Attorney-General.

Mr. Speaker, well, I'll restrain myself from saying anything about previous political beliefs. The question of freedom of speech, Sir, coming from that source is one that is not very persuasive in this House —(Interjection)— no, Mr. Speaker, the Attorney-General said what I said was low. Sir, I was not the one who belonged to the Communist Party, he was.

**MR. SPEAKER:** Order please.

**MR. SPEAKER:** Order please. The Honourable Minister of Agriculture.

**HON. BILL URUSKI (Interlake):** Thank you, Mr. Speaker. We have now received enough copies from the University of Manitoba in order that I may table the 28th Annual Progress Report of the Faculty of Agriculture.

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

## ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Member for Pembina.

**MR. DONALD ORCHARD (Pembina):** Thank you, Mr. Speaker. My question is for the Minister of Labour. The program that the Minister of Labour announced this morning; is it the intention of him as Minister of Labour and his government to have that program, announced this morning, replace the Private Sector Youth Employment Program that has been in place for the past several years with approximately double the funding that he announced this morning?

**MR. SCHROEDER:** The funding for this program is approximately what the funding had been for the other program and this is a replacement of that program.

**MR. ORCHARD:** Mr. Speaker, the funding for this program is less than what was available last year, and I would ask the Minister of Labour how many jobs he expects to be created for the youth of Manitoba under this \$2.9 million initiative that was announced this morning.

**MR. SCHROEDER:** Depending on exactly where the uptake is, we would expect that there would be in the area of 2,000 jobs created as a result of this program.

**MR. ORCHARD:** Then, I take it that the Minister of Labour from that answer is prepared to abandon the Private Sector Youth Employment Program which created jobs for some 14,000 youths in the Province of Manitoba with a program that will employ 2,000 youths in the Province of Manitoba.

**MR. SCHROEDER:** I do question those numbers. I should say however, that while this is a new program the old Private Sector Youth Employment Program is one that we took into account in setting up this program, and the better features of that program are incorporated in this program. As I indicated in my statement, the private sector small employers — that is employers who have 10 or fewer employees, will be eligible for this program; farmers will be eligible for this program as they were under the previous program.

**MR. ORCHARD:** Could the Minister indicate what level of support to small businesses and the farmers will be available? I note in the announcement that it will be a portion of the minimum wage. What will that figure be, Mr. Speaker?

**MR. SCHROEDER:** Based on the current minimum

wage it would be \$2.00 an hour.

**MR. LYON:** Mr. Speaker, encouraged as we are by the comment by the Minister of Labour that he is, as I suggested, incorporating the fundamentally, successful parts of the former Youth Employment Program in the program that he announced this morning, could he outline to the House in the event that we missed it, and I apologize if it's repetition on his part; could he outline to the House the new portions of the program that will be a part of what he announced this morning? In other words, will there be a reversion to the type of municipal employment that we used to see in previous employment programs for brush-clearing and things of that sort, or what are the new factors that he has added to the formerly successful Youth Employment Program in the private sector?

**MR. SCHROEDER:** I would hope that we wouldn't get into the area of brush-clearing or that type of employment, either in the public or private sector with respect to this program. We are very specifically asking employers to indicate just what it is that the student will get out of the program other than employment. We want something out of the program that will provide the student with some useful experience for his or her future life.

It is true that under the program that I have announced this morning, there will be not only that change, but also the change that will allow hospitals, municipalities and other public organizations, not the government itself, but those public organizations to also hire students, but they will be just like the private sector, in a position where they will be required to demonstrate that there is some usefulness to the student in the program other than simply having a job.

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G.W.J. (Gerry) MERCIER (St. Norbert):** Mr. Speaker, my question is to the Minister of Labour. Could he explain then the statement that this will give students career-related work experience if they are involved in these types of make-work projects or non-profit organizations, community groups and municipalities? Are young people in this province only to expect a career for a few months in the summertime in the future?

**MR. SCHROEDER:** Mr. Speaker, this would be a strange province indeed if we didn't have people who were oriented towards careers which might be in those very sectors. We do need people in our hospitals. The member is suggesting somehow that if it's in the public sector, if it's in our municipalities, that our municipal officials can't devise programs that will be meaningful for students, but private employers can. It seems to me that he has very little faith in our municipally elected officials and that he has very little faith in our other public organizations. I've said before that one of the criteria will be that whoever the employer is, the employer must demonstrate to the department that the student will get something useful out of the job and if it's simply dishwashing, if it's simply brush-clearing, floor-sweeping, that type of thing, they will

not be eligible.

**MR. MERCIER:** Mr. Speaker, could the Minister of Labour indicate that whether or not out of the \$2.9 million, could he indicate the amount of funds available for small businesses and farmers to participate in this program, or is there any limit?

**MR. SCHROEDER:** I should take that question as notice. I don't believe that there is any number that says so many dollars will go into this portion and so many dollars into that portion, but I will take it as notice and get back to the member on that.

**MR. MERCIER:** Mr. Speaker, I thank the Minister for that response. My question is to the Minister of Economic Development, Mr. Speaker. In view of the promise of the Premier of this province to provide interest-rate relief and an economic climate to ensure that small business stays in Manitoba and a guarantee to build a great future in Manitoba, can the Minister of Economic Development confirm that in the first three months of 1982, business bankruptcies in the province reached 96, double the figure for the same period in 1981?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. MURIEL SMITH (Osborne):** Mr. Speaker, the honourable member opposite is quite right in drawing attention to the accelerating rate of bankruptcies that are occurring, not only in Manitoba, but throughout Canada. I would draw his attention to the fact that the tight-money policy along with the high interest rate policy that emanates from Ottawa is accelerating the depression that we are all going through; that given that, the kind of compensatory programs that the Provincial Government can put in place are somewhat limited. The interest rate relief program is an emergency type program and the longer term programs will be appearing as they are planned. They are not the kind of program that can flip into action overnight, and there are some limitations so long as the federal policies remain in place.

**MR. MERCIER:** Mr. Speaker, perhaps in view of that answer, the Premier would like to issue an addendum to the 47 percent of the electorate who fell for his guarantee and his promises in the last election. Mr. Speaker, the Minister of Economic Development has referred to future programs. Do those future programs include progressive increases in progressive taxation on businesses in Manitoba, inasmuch as the Minister is quoted in today's issue of the Western Business Report in the Financial Post as indicating that she would like to see federal exchange controls to stem the flow of capital south to the U.S., but if that doesn't happen, the provinces have some remedies such as progressive taxation? Could she explain her intentions in that regard?

**MRS. SMITH:** Mr. Speaker, I would like to alert the House to the fact that the outflow of money from Canada in the past few months is reaching alarming proportions. We were talking to a firm that was inter-

ested in investing either here or in another province in Canada, and they are finding that there are amounts that hit the area of \$70 billion to \$80 billion that are flowing south of the border in the last few months because of the Federal Government policies in approach to business. Given that situation, Mr. Speaker, the room for action by a Provincial Government is restricted. Now, that doesn't mean to say that we won't be putting in place programs that will do the best we can. But we know that no one sector of society should carry all the burden or all the benefits. We expect business will carry their fair share of the cost of maintaining the best possible situation in Manitoba.

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. A. BRIAN RANSOM (Turtle Mountain):** Mr. Speaker, my question is to the Minister of Economic Development as well. The Minister refers to new plans, new strategies being put in place. Mr. Speaker, in view of the fact that there are some, I believe, 6,000 more unemployed people in Manitoba this month than there were a year ago, and in view of the promises that government made while they were the opposition party, can the Minister advise the House of what is the nature of some of those strategies, and when can we expect to see an impact of those strategies? When can we expect to see the unemployment rate start to fall? When can we expect to see more people employed as a consequence of the promises and the policies of this government.

**MRS. SMITH:** Mr. Speaker, the member opposite knows as well as I do that if there is no change in the Ottawa situation or in the general recession, our capacity to turn things around is limited. If the members opposite will recall, this party promised no magic solutions to the economic problems. We promised an approach to the problems —(Interjection)— are you ready to listen? I stood on as many political platforms during the election as the members opposite and I listened to my own colleagues. There were not magic promises, there was an approach, a willingness to consult and to do what was within the provincial range of options. That means dealing with the resource industries and seeing that we keep more of the benefits of those industries here; it means getting the Crown corporations so that they are able to function in a much more vital and initiating way; that means dealing with some of the emergency type programs on the interest rate relief, on the beef stabilization.

I think this government has an enviable program to put in place in the first Session after an election, Mr. Speaker. The other programs that will come along will unfold in due course. We don't intend to jump in and put in ill-thought-out programs. To put in a full job creation program right now other than for selected groups such as the youth of this province, would mean that a great deal of that money would drain out of the province and we wouldn't gain real benefit. What we want is careful expenditure of public money so that we keep the maximum benefit here in Manitoba.

**MR. RANSOM:** Mr. Speaker, in view of the fact that there are 6,000 more people unemployed now in the province than there were a year ago; in view of the fact that bankruptcies are up very significantly over a year ago, and that those two things of course are related; in view of the fact that the Minister has said that they offered no magical solutions, I would ask the Minister then whether or not she would consider this to have been a magical solution. "With ManOil and Manitoba Hydro we can develop programs to guarantee that no Manitobans lose their homes or farms due to high interest rates," that was a promise, Mr. Speaker, made in the NDP document, A Clear Choice For Manitobans. Does the Minister consider that a magical solution?

**MRS. SMITH:** Mr. Speaker, I don't care to respond on the level of magic, I wish to respond on the level of hard and well-thought-out programs. There's the Interest Rate Relief Program; there's the Beef Stabilization Program; there's the Main Street Program; there's the Public Investment Rate that's up over 9 percent which provides some stimulus. That's acting within our capacity to act, Mr. Speaker. There's the approach to the social service field where we have enabled some catch-up monies to be allocated in addition some careful movement into new programs, Mr. Speaker. We do not consider jobs in the social service when people are being cared for and their health needs and their educational needs, as meaningless, or unimportant, or faded, or ancient. They are valuable jobs and they do contribute to the well-being.

In addition, there's progressive tax and higher minimum wage that puts more money into the pockets of the people who need basic services and who can in their spending of that money, Mr. Speaker, provide a stimulus to the economy.

**MR. RANSOM:** Mr. Speaker, in view of the promises that have been made by the members opposite, promises that there would be job security, that there would be economic development, that there would be an easing of the tax burden upon the property owners in this province, my question to the Minister of Economic Development was when can we expect to see some of the results of these promises?

**MRS. SMITH:** Mr. Speaker, at the time of the Budget, the members opposite will see some significant moves in that direction. We never promised that we would accomplish job security and economic development overnight, and if anyone on the other side thinks that's possible, I don't know where they've been living. It takes a slow and careful planning approach to that, Mr. Speaker, a careful investment of what limited resources a province has and that's the course that we are committed to. We will not be railroaded into short-term, ill-thought-out programs, Mr. Speaker.

**MR. PENNER:** On Monday of this week, I was asked a question by the Honourable Member for La Verendrye with respect to a matter having to do with assistance which might be given in collecting outstanding accounts related to calls received by towns or municipalities for fire assistance on provincial highways from the RCMP, and I've had an opportunity now to

look into the background and can reply in part. When the question was asked, it jogged my memory that, in fact, there was something under way.

The history, just very briefly, was that there was an occurrence, and the Honourable Member for La Verendrye knows this, outside of the Town of Steinbach on the No. 1 Highway, where the town went to a fire, a truck that was on fire on the highway outside of the town's limits. Within the town's limits or municipal limits, the town or municipal fire services would attend to the fire. In this case, the RCMP called the town; the fire was outside the limits.

Now, normally if the vehicle is covered by MPIC, then the town or municipality has no difficulty in collecting the costs incurred through MPIC. The truck that was on fire, however, was not covered by MPIC; it was an Ontario registered vehicle and the town sued, which was the right thing to do, but was quite naturally a little put out about that. Going to court is expensive and sometimes takes a lot of time and so, the town wrote the then Attorney-General and raised the question with the Attorney-General on the 24th of April, 1981. No, in fact, the town wrote the then Attorney-General on the 26th of March, 1981 and a reply was received on April 24th, 1981. —(Interjection)— that's exactly what I'm going to do. —(Interjection)—

**MR. SPEAKER:** Order please. Does the Honourable Member for Virden have a point of order?

**MR. HARRY GRAHAM (Virden):** On a point of order is this, Mr. Speaker, that if the Minister has information, we on this side would be glad to receive it in printed form rather than abuse the question period as the Minister appears to be doing.

**MR. SPEAKER:** Order please. I'm sure that no member wishes to abuse the House or the rules of the House. I understand the Minister is answering a question asked of him earlier this week which he will not make into a speech I'm sure.

The Honourable Attorney-General.

**MR. PENNER:** On the 24th of April, that is, one month after the former Attorney-General was requested to do something —(Interjection)— I will not table it; I will read it. The former Attorney-General says, "If you wish to raise with the government the wider question of fire fighting and related services required on the Trans Canada Highway as a result of vehicle accidents, I suggest you make representations to my colleague, the Minister of Highways and Transportation, the Honourable Donald W. Orchard. I have sent him a copy of your letter of March the 26th." Now, nothing was done. They raised this morning with us the question of turning around a complex economy in three months — seven months with nothing being done on a simple question of who should provide services on the highway. I have now referred this to the Minister of Highways and Transportation who assures me that a policy on this will be developed within a very short period of time.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. ROBERT (Bob) BANMAN (La Verendrye):** Mr. Speaker, as the Minister will appreciate, this is a complex problem and my simple question to him, in light of the resolution which has been passed, which was not passed seven months ago, but which the Minister has a copy of, in which the Town of Steinbach now states — the resolution has just been passed now — that they will not attend or answer fire calls of the nature that he has described.

I point out to him now we have reached a situation where the town, by resolution, will not respond to this type of call from the RCMP, and I ask the Minister just to check into the matter and I would ask him to keep the House informed as to what has happened. I think there is a certain amount of responsibility and public protection that has to be provided and, hopefully, with all parties meeting and discussing this on a rational basis, some solution to the matter can be reached.

**MR. PENNER:** Just very briefly in response to the last intervention, I agree that there is a problem and I received the resolution from the Town of Steinbach on the 22nd of March. I referred it to the Deputy for further information on the 23rd of March and in fact had a reply from the Deputy this morning, and have then referred it to the Minister of Highways and Transportation and certainly there will be something done.

**MR. RANSOM:** Mr. Speaker, my question is to the Minister of Energy and Mines. Can the Minister give us any further information today about announcements regarding layoffs at Fox and Rattan mines?

**MR. SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. WILSON PARASIUK (Transcona):** Mr. Speaker, I have not been told the exact numbers. I'm waiting for my staff to get that information. I believe there is an announcement being made this morning and when that announcement is made, I expect that my staff will be informed and I will then be able to let members of the House know if I'm sent information before the end of this question period, but I'd certainly undertake to let him know on Monday.

**MR. MERCIER:** Mr. Speaker, my question is to the Minister of Economic Development. In the report which I referred to earlier, Mr. Speaker, could the Minister confirm that her position is that the key to Manitoba's future growth is co-operative federalism?

**MRS. SMITH:** Mr. Speaker, there are many keys to the future of Manitoba's economic development.

**MR. MERCIER:** Mr. Speaker, can she confirm her statement in this April 10th addition of the Financial Post wherein she indicated that the key to Manitoba's future growth is co-operative federalism? Was she misquoted in that article?

**MRS. SMITH:** Mr. Speaker, in the size of keys, that may be one of the larger ones.

**MR. SPEAKER:** The Honourable Member for Tuxedo.

**MR. GARY FILMON (Tuxedo):** Mr. Speaker, my question is to the Minister of Education. In view of the Minister's recent memorandum to chairmen of school boards throughout the province, requesting that they hold off any decisions regarding school closures or rationalization, and in view of the fact that Part 3 of The Public Schools Act, Section 41(1 p) in outlining the duties of school boards says as follows: "Every school board shall determine the number, kind, grade and description of schools to be established and maintained." Is she now intending to bring forward legislation or amendments to The Public Schools Act that will remove that power from school boards?

**MR. SPEAKER:** The Honourable Minister of Education.

**HON. MAUREEN HEMPHILL (Logan):** No, Mr. Speaker, I have no intention of making those changes to the legislation. I have stated in every public speech that I have made and in every statement that I have made that school boards do have the authority to make decisions on programs and on school closures. I uphold and support that existing authority. I have no intention of interfering with it and I have no intention of changing the legislation, Mr. Speaker.

**MR. FILMON:** I have a question to the Premier, Mr. Speaker. Recently there were reports of his having met with the Town Council of Selkirk with respect to their concerns for the quality of water in the Red River, downstream of the City of Winnipeg, and the reports indicated that the Premier was considering some possibility of legislative changes. Is he considering bringing forth amendments to The Clean Environment Act which would have the affect of including the City of Winnipeg under The Clean Environment Act with respect to surface water quality standards?

**MR. SPEAKER:** The Honourable the First Minister.

**HON. HOWARD R. PAWLEY (Selkirk):** Mr. Speaker, what, indeed, we are doing is reviewing the situation, examining the various options that are available to us in view of the state of the water in the Red River.

**MR. FILMON:** Mr. Speaker, I wonder if the Premier could indicate whether or not he has had discussions with the City of Winnipeg with respect to this possibility, in view of the serious ramifications that would have to the city's future planning and financial requirements.

**MR. PAWLEY:** Mr. Speaker, whether or not the Minister has, certainly I've not on a formal basis, and before there would be any decision made there would be consultation with the City of Winnipeg.

**MR. PARASIUK:** On April 6th, the Acting Minister of Energy and Mines took as notice a question from the Member for Turtle Mountain where he asked whether or not the Minister could confirm whether or not work is proceeding on the clearing of a Hydro right-of-way from Koostatak to Jackhead and at the same time, the member asked how the contract for the clearing was awarded and when the work is expected to be com-

pleted. I have been informed that the Federal Department of Indian and Northern Affairs arranges for the work to be undertaken on this particular project; that the staking of this route was undertaken by Manitoba Hydro in January and February of this year, and that the clearing of the right-of-way commenced on March 1st. It is my understanding that this clearing work is currently underway and is expected to be completed by the end of June, 1982. It is my understanding that the Federal Department of Indian and Northern Affairs approached the Jackhead Indian Band to undertake this work and the Band in turn hired a co-ordinator who I'm advised lets this work out in one-acre plots and makes payments directly to the individuals who are doing the clearing. —(Interjection)—

Mr. Speaker, we're asked a question and we get up and provide answers and while we're providing a straightforward answer to a question which I think was asked in good faith by the Member for Turtle Mountain. When we in fact want to provide that type of answer we get the former Speaker of the Legislature, Mr. Speaker, speaking from his chair about their being able to read, but when given some of their past statements I'm not sure whether they're able to read or whether, in fact, their lips get very sore in reading. So I'm going to take this opportunity and just finish off the answer because I believe the Member for Turtle Mountain asked that question in good faith.

Mr. Speaker, this person who co-ordinates this clearing activity is, I am told, a member of the Jackhead Band and undertook this activity after the Jackhead Band were approached by the Federal Department of Indian and Northern Affairs.

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. RANSOM:** Mr. Speaker, I thank the Minister for that answer. I have two further questions arising out of it and which he may have to take as notice. Is the June 30th deadline satisfactory to Manitoba Hydro and are people outside of the Jackhead Indian Reserve, people other than members of the Jackhead Band, being awarded any contracts with respect to this clearing.

**MR. PARASIUK:** Mr. Speaker, with respect to the first question, I'll certainly check with Manitoba Hydro on that; and, with respect to the second question, I will have staff contact the Federal Department of Indian and Northern Affairs which is handling this matter to get further specifics.

**MR. SPEAKER:** The Honourable Member for Pembina.

**MR. ORCHARD:** Thank you, Mr. Speaker. My question is for the Minister of Economic Development. In view of the fact that bankruptcies are up dramatically in the past year and that 6,000 more Manitobans are unemployed now than some year ago and, in view of the fact, that there was an election promise for emergency interest rate assistance in which an NDP Government would take action to prevent the loss of small business, due to abnormally high interest rates, my question to the Minister of Economic Development is,

how many small business applications under the Emergency Interest Rate Relief Program have been approved to date?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**MRS. SMITH:** Mr. Speaker, the applications are in, over 750 in number, and they are being processed. To date there have been three to four that have been identified as clearly eligible and another 200 that are in process. One of the factors that is emerging, Mr. Speaker, in the analysis of the information is that for most businesses the problem has not been as much the high interest rate as the decline in demand; and that is very much aggravated by the tight money policies in Ottawa.

**MR. ORCHARD:** Well, Mr. Speaker, in view of the fact that the success ratio of accepted applications is approximately one half of 1 percent of the applicants to date, could the Minister indicate whether she will be expanding the criteria of that Small Business Interest Rate Relief Program to provide more assistance to more small businesses in trouble as was promised by the NDP Government in the last election and the second part of my question is, when can those three to four successful applicants expect to receive compensation under the Interest Rate Relief Program?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**MRS. SMITH:** Mr. Speaker, for clarification the fact that only a small number have completed the process does not mean that the other 200 to 300 that are in process are not going to be approved. It takes time to analyze the data and see whether they are in fact eligible. The expectation is that the payout will be in the proportion that we expected in the program. As experience develops, if that is not the case then we will review the program.

In terms of the payout, we have to complete the Official Loan Bill here in the Legislature and the moment that is completed, the payouts will be available.

**MR. ORCHARD:** When the Minister refers to the Official Loans Bill which needs approval in this Legislature, is she referring to something other than the regulations that have to be drafted and will not be available until the end of this month, further delaying any form of assistance to the small business community faced with bankruptcy in this province?

**MRS. SMITH:** Mr. Speaker, the technical requirements have been completed and therefore the program is now in a go situation, so as soon as the processing has been completed and the board has had a chance to review it, the cheques will be sent out.

**MR. ORCHARD:** Thank you, Mr. Speaker. Then do I take it that the Minister is saying that she can now proceed with payouts without the regulations being in place which the Minister of Finance in response to my questioning earlier this week said would not be ready

until the end of this month, at least? Is she saying that she is now going to make payouts without those regulations being in place?

**MRS. SMITH:** Mr. Speaker, the regulations were passed yesterday.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. R. (Bud) SHERMAN (Fort Garry):** Thank you, Mr. Speaker. I'd like to direct a question to the Honourable Minister of Health. In view of the fact that we're headed into a long holiday weekend in which the morale at Children's Hospital continues to be badly shaken, can the Minister advise the House whether he believes that Children's Hospital should be a separate self-contained unit with its own operating and X-ray facilities therein?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. LAURENT DESJARDINS (St. Boniface):** I'm awfully sorry, Mr. Speaker, and apologize. I haven't had a question for so long that I didn't recognize it. In fact, I'd ask him to repeat the question, please.

**MR. SHERMAN:** Mr. Speaker, I'd like to direct a question to the Acting Minister of Health. In view of the fact, Sir, that morale at Children's Hospital is still badly shaken and has not received the reassurance that some have requested it receive, I'd like to ask the Minister whether he can advise the House and the pediatricians of this province and the people who are interested in Children's Hospital whether he believes that Children's should be a separate, self-contained unit with its own operating and X-ray facilities, not just a five-storey building with medical and surgical beds in it, but a unit containing its own operating and X-ray facilities?

**MR. DESJARDINS:** Mr. Speaker, I am not ready to accept that the morale is that bad at the Children's Hospital at this time. I met with the Chairman of the Health Sciences Center and the President this morning and they assured me that things are much better. There's been a misunderstanding; they are meeting, I think, Monday with all the heads of the different departments and are going to try to solve the situation as soon as possible. They are confident that this will be done.

We must remember, Mr. Speaker, that when we set up the Health Sciences Centre, it was to co-ordinate all the different areas out there and they should try to iron out as many of their problems as possible. It is often said by members of the medical profession and others that government shouldn't be the only ones that are planning and that was the reason why the Health Sciences Centre was formed as it is, and I would want to give them a chance before panicking. Any time something appears in the news, I would like to give them a chance to solve their problem if possible.

I intend to meet with them fairly soon. As I said, I met with them at 8:00 this morning and they're having this meeting with all the boards and I would give them

the benefit of the doubt. I hope that I'll be able to report during the Estimates and we could discuss this very freely and openly during the Estimates.

**MR. SHERMAN:** Thank you, Mr. Speaker. I appreciate the Minister's reassurance to discuss it during the Estimates and I'm sure we will, but the Estimates of the Department of Health are possibly some weeks away and I'm talking about a current situation down there involving morale and involving plans that were set and operations which had been put in motion. What I want to know from the Minister at this point in time, Sir, because I won't be able to ask him for another three days, is whether he believes, personally, as the former Minister did, and as many others in this House and outside this House do, whether he believes personally that Children's Hospital should be a separate identity and not just a shell with beds in it, but a facility that has its own operating and x-ray facilities and other ancillary services. This is really what's at the root of the question at Children's, not whether they're just going ahead with a five-storey building, but what is going to be in that building and what may be moved into other buildings.

**MR. DESJARDINS:** Mr. Speaker, the former Minister chose to accept responsibility and make all the decisions or at least appeared to make the decisions; this is not my intention. The Department of Health and the province are not there to make all the decisions; we have to work with other groups in this and I am not going to make their responsibility more difficult at this time, to panic because statements were made in the newspaper. This is something that will be looked at. They are meeting with these groups now and there is a danger of this because if we go by this route, every single one will try to get more. We will not induce these people or try to get these people working together because the easy way will be to go public, to go to the media and that will destroy the concept that we have now and I'm not ready to do that at this time.

We will do everything to protect the Hospital. I think they have certainly a role to do, but I am not ready to prejudge things until there is something that is presented to me. This is something that does not have to be crossed at this time because I don't think that there is the danger that my honourable friend claims there is. Certainly this hasn't been brought to my attention.

We have somebody from the Manitoba Health Services Commission that's monitoring that and is spending nearly all of his time with the Hospital in planning. They are modifying the planning situation and there will be a statement that should be made today by the Health Sciences Center and I will resist the temptation of trying to preempt what they say at this time.

**MR. SPEAKER:** Order please.

**MR. DESJARDINS:** But I'm not going to be a dictator and work alone; I'm going to work with these people and I'm going to try to make it work.

**MR. SPEAKER:** Order please. The time for Oral Questions having expired, Orders of the Day.

## ORDERS OF THE DAY

**MR. SPEAKER:** Order please. The Honourable Government House Leader.

**MR. PENNER:** Mr. Speaker, yesterday I started to announce committee meeting dates and there was some misconception on my part about dates that were open. I would now like to clarify the first four committee meeting dates, and I've checked with the Opposition House Leader on these four. There are other dates that have been circulated but those will be confirmed later on.

Tuesday, April the 13th, Public Utilities, to consider MPIC. That may take more than that day and we'll make arrangements if necessary.

Thursday, April the 15th, Public Utilities and Natural Resources, Manitoba Telephone System.

Tuesday, April the 20th, Rules.

Thursday, April the 22nd, Economic Development, to deal with the Channel Area and Moose Lake Loggers and the CEDF.

Now, Mr. Speaker, if I may ask that you call second reading on No. 18, An Act to amend the Pari-Mutuel Tax Act.

### SECOND READING BILL NO. 18 — AN ACT TO AMEND THE PARI-MUTUEL TAX ACT

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. SCHROEDER** presented Bill No. 18, An Act to amend the Pari-Mutuel Tax Act for second reading.

**MOTION presented.**

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. SCHROEDER:** Thank you, Mr. Speaker. This bill is concerned with an amendment to increase the level of taxation in one specific segment of pari-mutuel wagering. The additional tax is being recommended in order to raise revenues for an enhanced horse-racing industry development program. Some members will recall that the statute tax rate on pari-mutuel wagering is presently established at 7.5 percent of the amount wagered. This level of tax applies to all forms of wager, whether the wager involves the selection of one horse or more than one horse. Present forms of wagering include wagers involving the selection of the place of finish of one horse as in win, place, show bets; two horses as in daily double or quinella; and now three or more horses as in triactor and pick-six wagers. This Bill will levy an additional tax of 5 percent on exotic bets involving the selection of three or more horses.

As I noted, the revenues will be used in horse racing industry development programs. These programs are designed to make our industry competitive with the industry in other provinces and to stimulate the growth of a strong local horse-breeding industry. Since the added tax falls only on the wagers with the highest level of pay-out, the worst odds and the fewest winners, it will have minimal impact, I am told, on the total level of wagering. This tax measure was



recommended in the Horse Racing Industry Study completed in 1980 and has the support of the racing industry.

The measure provides for industry development without further reducing provincial revenues from racing. Provincial revenues now stand at slightly more than 3 percent of wagering after accounting for all present grant programs and payment of the racing commission costs. This is considered a reasonable level which should not be reduced. I have outlined the provisions of this particular bill and I have no hesitation in commending it to all members.

**MR. SPEAKER:** The Honourable Member for Virden.

**MR. GRAHAM:** Will the honourable member permit a question? He said that there would be little impact when he was talking about the revenue. Has the Minister any figures on the projected increase in revenue from the increase in this tax?

**MR. SCHROEDER:** Mr. Speaker, I understand that the levy will raise approximately \$948,000.00.

**MR. GRAHAM:** I beg to move, seconded by the Honourable Member for Tuxedo that debate be adjourned.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable Government House Leader.

**MR. PENNER:** Mr. Speaker, I would like to, before moving the Supply motion, announce that the Crow Resolution will be called on Tuesday.

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

Mr. Speaker, there is no business, as far as I'm aware, for Private Members' Hour. The intention is to go to 12:30 p. m. and to adjourn the House at that time.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Dauphin in the Chair for the Department of Agriculture; and the Honourable Member for The Pas in the Chair for the Department of Highways and Transportation.

## CONCURRENT COMMITTEES OF SUPPLY

### SUPPLY — HIGHWAYS AND TRANSPORTATION

**MR. CHAIRMAN, Harry M. Harapiak (The Pas):** I will call the committee to order. We are on Highways and Transportation, No. 8 - Acquisition/Construction of Physical Assets, 8(a) Aids to Cities, Towns and Villages.

The Honourable Minister.

**HON. SAMUEL USKIW (Lac du Bonnet):** Mr. Chairman, before we proceed I would like to respond to a number of questions that were put yesterday. The

Member for Pembina wanted to know whether there was a rate change per mile or per hour on the citation —(Interjection)— oh, they're on all the aircraft, I see. If the Member is interested I can read them or give him a copy.

The other question was the number of medi-vac trips in 1981 which was 222 and there were 79 regular trips; that's the citation.

**MR. CHAIRMAN:** The Member for Pembina.

**MR. DONALD ORCHARD (Pembina):** I thank the Minister for the information on the rates. I'm just wondering if there is an indication of the previous rate schedule so that one might have a better feel for the increases. Does he have handy the former rate schedule per hour, etc.?

**MR. USKIW:** No, we don't have it here, Mr. Chairman.

**MR. ORCHARD:** I wonder if that might be made available, Mr. Chairman.

**MR. USKIW:** Mr. Chairman, I have no problem with that. We can supply that information later on.

**MR. ORCHARD:** Thank you. Yes, that would be appreciated if that information were made available later on. I would assume that the increases in rates would reflect increase in fuel costs primarily. Would that be a correct assumption?

**MR. USKIW:** I would imagine that they must reflect the ongoing increases in costs whether they be fuel or other things, Mr. Chairman. It would be an updating of the fees, not an order to cover — I guess the operating costs. I don't think it covers all the overhead costs. —(Interjection)— Yes, the operating costs.

**MR. ORCHARD:** So that the fuel charges reflect increase in operating costs and not necessarily a retirement of Air Division overhead.

**MR. USKIW:** The old rates, well, we can just pass this on, Mr. Chairman. —(Interjection)— Yes, the note that I have here that in addition to charges per mile or hour, a standby charge may be made when the aircraft is being held and the daily utilization of the aircraft is below minimum. Other incidental charges may be made if warranted such as crew expenses, carrying external loads, water bombing and so on and the difference between gasoline costs at main distribution points and those of remote sites. Passenger insurance, Mr. Chairman, for nonemployees is included in the Manitoba Government Air Division rates; employees are covered under the Group Insurance Plan. Single passenger mile fares are supplied when a passenger is carried on a flight being flown for some other purpose and no special landings are required.

**MR. ORCHARD:** When the Minister mentions the insurance aspect, did the insurance rates for Air Division increase significantly again? We went through a fairly major increase about a year ago. Did we have a similar increase?

**MR. USKIW:** Well apparently there has been an adjustment again.

**MR. ORCHARD:** I would assume an adjustment upward in the coverage rate?

**MR. USKIW:** Yes, yes.

**MR. ORCHARD:** Could the Minister indicate whether that was reflective of the heavy landing of the MU-2 and would cause the rates to go up on our insurance claim there, because that was our first actual damage claim for a number of years, if my memory serves me correctly.

**MR. USKIW:** As I understand it, there is no connection, Mr. Chairman.

**MR. ORCHARD:** This was a general rate increase spurred by the international nature of airframe insurance, I take it then.

**MR. USKIW:** Well, one of the reasons of course is the delivery of the new CLT-15, so there's an added component to the fleet.

**MR. ORCHARD:** Certainly, and that would naturally increase the insurance rate. Is the Minister then saying that's the only increase and there hasn't been an increase on insurance coverage on the existing . . .

**MR. USKIW:** No, there's a general increase.

**MR. ORCHARD:** Thank you. Mr. Chairman, could the Minister provide us with the actual Expenditure levels for the fiscal year ending 1981 — and I realize you can't give me exact dollars and cents but on ballpark figures — of the four Expenditure items would suffice?

**MR. USKIW:** On which items?

**MR. ORCHARD:** On Acquisition and Construction on the (a), (b), (c) and (d) components of this.

**MR. USKIW:** Oh, I see, you're down to 8.(a). Would the member repeat that question again?

**MR. ORCHARD:** Well, I'm just interested in determining what the actual Expenditure level was. We budgeted \$1,540,000, etc.

**MR. USKIW:** It's not likely, Mr. Chairman, that we have that information here.

**MR. ORCHARD:** Well, Mr. Chairman, in Item 6. Construction, there was a figure given as of year-end Expenditures of some \$93 million and although that is subject to probably a plus or minus \$.5 dollars maybe, would not a similar Estimate be available at this time for the four items listed under 8?

**MR. USKIW:** I didn't hear what the member asked.

**MR. CHAIRMAN:** The Member for Pembina, could you repeat that question please?

**MR. ORCHARD:** Well, quite simply the same question was asked in Item 6. on the Construction of Provincial Trunk Highways, etc., and an answer was given, and the Minister . . .

**MR. USKIW:** On a global figure.

**MR. ORCHARD:** Well, I'd like to know, yes, a global figure or those four items that are identified.

**MR. USKIW:** I'm advised that all of the expense items are not in for (a) at this point in time. We don't have the final figure on (a). (b), of course, is contracts, that we would have to simply add them up. They're not finalized either, Mr. Chairman, because there's I believe some negotiating going on yet on those and then of course in (d), there is a blank figure shown for this year but actually it's in the Enabling Vote. It's not in this department and there's \$2.160 million which is not shown in this department which was shown last year. It will be shown in Finance.

**MR. ORCHARD:** And for other projects, Mr. Chairman, Item (c)?

**MR. DEPUTY CHAIRMAN, Conrad Santos (Burrows):** The Honourable Minister.

**MR. USKIW:** We don't have the actual, Mr. Chairman.

**MR. CHAIRMAN:** The Member for Swan River.

**MR. D.M. (Doug) GOURLAY (Swan River):** Thanks, Mr. Chairman. I'd like to ask the Minister whether or not there is any money in these Estimates for upgrading of the municipal airport at Swan River?

**MR. USKIW:** The member wants the Swan River one in particular? \$227,000 is earmarked for Swan River.

**MR. GOURLAY:** Thank you. I wonder if the Minister could elaborate a little more on the type of work that would be planned for the coming year.

**MR. USKIW:** Apparently, the notation here is that we would be upgrading the airport to a C-minus standard by extending a runway from 2,500 to 4,000 feet and repaving. The total estimate is cost based on MOT 1981 calculation as \$1.120 million; there's no commitment to that extent. The 227 is merely an upgrading, I presume. The \$227,000 will represent the grading and draining aspect of the extension.

**MR. GOURLAY:** Can the Minister advise what discussions members of his staff have had with the Municipal Airport Commission at Swan River. I believe the Minister received a letter from the Chairman of the Municipal Airport indicating some historical problems that developed in the last year. I believe the Department of Transport regulations were changed in the standards for a C runway resulting in some problems at Swan River because of the lack of space available and this has held up the improvements that should have taken place last year. As I understand it, I think there's still some problems there, I'm just wondering if in fact staff have had any discussions with the

municipal airport officials there to try and resolve some of these problems?

**MR. USKIW:** Apparently we're still waiting for further discussions to take place with the Swan River Airport Authority.

**MR. GOURLAY:** Yes, to go on further, Mr. Chairman, I wonder if the Minister can advise as to the new program that has been apparently announced by the Federal Department of Transport to provide assistance to this type of airport facility. I think that the airport at Swan River would qualify under the criteria that has been listed by the Federal Transport and I'm wondering if the province might be able to take advantage of federal funding of the upgrading of this airport?

**MR. USKIW:** That is part of the process under way at the present time, the review of that possibility, that potential, but we can't give you any information at this time on that aspect of it.

**MR. GOURLAY:** Thank you very much, Mr. Chairman.

**MR. DEPUTY CHAIRMAN:** The Member for The Pas.

**MR. HARRY M. HARAPIAK (The Pas):** Mr. Minister under (d) Canada-Manitoba Northland Development Agreement, I notice that there is no funds appropriate to that project this year and I was wondering if the road to Pelican Rapids, Shoal River would come under this agreement, the route is very rough and the curves are numerous; there's approximately 250 curves in a 20-mile stretch. Apparently the surveying was done for this project a number of years ago and the people of the community are very anxious to get some work started on it. There was an emergency winter works project held this winter and, to show how much they believed in the project, they started clearing the road by hand and using some of the wood taken off for firewood. They are very anxious for some work to start in this area so I am wondering if there's going to be any work done on this project at this time?

**MR. USKIW:** Well, Mr. Chairman, the project is a Northern Affairs Project and it comes under the Northlands Agreement. I believe the negotiations have not been completed.

**MR. HARAPIAK:** This would come under this section of the budget if there was any funds appropriated to it?

**MR. USKIW:** Yes, Mr. Chairman, if I may, the member wanted some items on Items (a), (b), (c) and (d) on actual expenditures. That would be as of March 31, 1982: 8.(a) was \$1.4 million; 8.(b) was \$2 million; (c) was \$1.740; and (d) 3.250.

**MR. ORCHARD:** I thank the Minister for that answer. Now you mentioned earlier that some of items (a) weren't completely in, would it be expected that the expenditure would approach the 1.54 after all of the accounts are in and paid?

**MR. USKIW:** The figures I read is the closest estimate that we have at the present time, they're not actuals.

**MR. ORCHARD:** Mr. Chairman, I assume from that they would go up probably somewhat when they're finalized?

**MR. USKIW:** That's possible; probably so, Mr. Chairman.

**MR. ORCHARD:** Mr. Chairman, under (c) Other Projects, there is a significant shortfall in the anticipated expenditure, does that reflect an incomplete accounting or some projects not undertaken?

**MR. USKIW:** We're not able to get that information at the moment.

**MR. ORCHARD:** I would appreciate if the Minister could undertake, when that information is available, to provide it to me. There were a number of projects that were scheduled in that Resolution, or in that Other Project's category, and I can appreciate where there may be some further expenditures because we're very close to year end. But if there weren't it would mean that some of the projects had not been completed and I would be interested in knowing if that was the reason for one-half million reduction in expenditures, just which projects did not get under way and were not completed as had been hoped for during the last fiscal year.

**MR. USKIW:** Mr. Chairman, we have no problem in providing that information when it becomes available.

**MR. ORCHARD:** Mr. Chairman, the Minister made reference when questioned by my colleague, the Member for Swan River, on the Swan River Airport. There is a fair background to the expansion, the airport there, and it was really started in 1980 with the forest fire situation because they had significant forest reserves in the vicinity of the Swan Valley, both to the south and to the north. Of course the Porcupine Hills was a major recipient of interprovincial co-operation from our sister province Saskatchewan where that 12-mile wide fire came roaring in from Saskatchewan and unfortunately did considerable damage in the Porcupine Hills and the future impact of that is yet to be realized. But whilest we had the water bombers, and now we have a fleet of three of them, we had to station those water bombers either in The Pas or out of Dauphin and I believe the top speed of those aircraft is about 140 miles an hour, so they were approximately one hour of travel time away from the nearest possible service base.

Based on that information, we took a look at Swan River airport and because of other considerations in Swan River, namely that it's a semi-remote region should you say, that expansion of the airport there would accomplish a couple of things. It would allow us to locate the water bombers there if there ever was a future need — and let's hope that we make this expansion for no need which would mean no major fires in the area — and secondly, it was with the intent of providing a longer airstrip so that, I believe it's Gabrielle Air Service who operates out of the Swan

River Airport could go to I believe it was the Queen Air, a larger aircraft for their passenger service, that aircraft requiring a C-minus configuration on the airport.

When we went through all of that planning for the Swan River Airport, we were doing it amidst the background of a finished Federal program on airport assistance which had provided some significant assistance in Norway House, I believe, and — just off the top of my head — I can't recall other airports in Northern Manitoba that received assistance.

At the time we did our planning, it was fairly clear that from the Federal Government's standpoint that we just would not have any funding available and we decided to undertake the expenditure anyway, we thought it had enough benefit to the area, enough benefit to the province to do that. But I believe it's just in the last month-and-a-half, I think, that the Federal Government, Mr. Pepin, has announced a new program and that new program, certainly the criterion I have seen bodes well for that expansion at Swan River because there is a passenger service going out of there. It is a fairly central airport to the region. There was five basic criteria.

There was municipal co-operation I think, for the first time when we made the proposal to the communities in the Swan River area, we had all municipalities, towns and communities in the Swan River Valley that use the airport agree to form an airport commission and undertake future operating costs of an expanded airport and I think that was the first time that all of the municipalities in the area had agreed to participate in the Swan River Airport operation.

So we have got considerable support from the municipalities, from the people, all these criteria seemed to fit very well with the Federal Government program. I know the Minister will be pursuing this because if it qualifies, it certainly saves Manitoba taxpayers the cost of further expenditures to complete the upgrading.

I might point out that I think over in the Transportation Division there is a bit of research done on airport expenditures under the program that lapsed about a year ago from the Federal Government and I was quite shocked and dismayed when I took a look at those that Manitoba, and I'm quite sure of this, but the Minister could correct me when he gets that information from Transportation Division, but the Province of Manitoba received less airport-assistance dollars than, I believe, Prince Edward Island. It was the lowest of the whole 10 provinces receiving assistance. I know that this Minister and his Premier are embarking on a renewed set of negotiations with the Federal Government, a new era of co-operation, a new climate of discussions. It's sitting down and having tea and chats and good-boy type negotiations. I think that this Minister with his past experience as a very skilful negotiator with the Federal Government would be able to do his government very well, and in fact the province very well, by clearly getting a demonstration from the Federal Government that this renewed Federal-Provincial co-operation could be exemplified in Manitoba being one of the first provinces to receive approval under this new funding program and have that funding directed toward the Swan River Airport.

I want to wish the Minister every success in that,

and I know that he will be tremendously successful for the people of Swan River and the people of Manitoba in that. I take it from his comments that negotiation or that application is in process right now to try to get that kind of money up in the Swan River Airport under the new federal program.

**MR. USKIW:** Mr. Chairman, I don't mind assuring the members that Swan River is geographically located in an area, so to speak, that deserves a lot of attention with respect to air service. We accepted that fact quite a number of years ago and made the decision to embark on the initial airport programming. From my own personal experience with respect to that location or that particular part of the beginning of the north, if you like, I don't know if it's the best way to . . . — (Interjection) — Yes, I know, I remember Jimmy Bilton's description of Swan River. I think it was the south end of the north or something, but anyway I've always been impressed with the idea that Swan River ought to have a fairly good modern airport facility because of its location in Manitoba and to that extent I would hope that we can move to progressively improve the service out of that area. So I have no hang-ups with respect to any urgings or any promotion that is under way. I would be equally wanting to promote an improvement and upgrading of that facility.

**MR. CHAIRMAN:** The Member for Swan River.

**MR. GOURLAY:** Mr. Chairman, I'd like to take this opportunity to thank the Minister for his comments and also the comments from the Member for Pembina. I know that the Minister is well aware as he has mentioned about the airport situation at Swan River, and I have been closely involved with the Municipal Airport Commission since it was founded back in 1972. We're all very proud of the fact that all of the municipalities and all the government districts have come together to form the Municipal Airport Commission.

Initially there was only the town and the RM of Swan River and some small assistance from the Local Government District of Mountain, but as a result of the serious forest fires that did occur in 1980, people, I think, recognized the importance of that resource not only to the community of Swan River but to the province and to the whole area there; the fact that the water bombers couldn't land on the present airstrip certainly helped to bring the municipal people and also interested citizens. We do have a very active flying club there that has contributed a lot of effort through work parties and donations of money to supply terminal facilities and to work for the general improvement of the airport.

So I'm encouraged by the Minister's comments here today and I know that this is important to the region and certainly there is a bit of a problem right now with at least one of the landowners adjacent to the airport to get the necessary easement in order to lengthen the airport to the point where it will handle the water bombers, but I certainly am encouraged by the comments I've heard here this morning.

**MR. CHAIRMAN:** The Member for Pembina.

**MR. ORCHARD:** The Minister responded to a question from the Member for The Pas on a specific piece of road. Did I understand the Minister to say that was part of the proposal for the new Northlands Agreement, and would that mean that it would be part of the 2.16 million in the Enabling Vote in the Department of Finance as one of the projects that would be undertaken with that 2.16 million?

**MR. USKIW:** Well, let me clarify. I think what I tried to suggest to the Member for The Pas was that comes under the purview of Northern Affairs. If it's to be done, it will be done under that program. I have no knowledge as to what Northern Affairs is proposing; I'm assuming that they are proposing it, but I can't give a direct answer on that.

**MR. ORCHARD:** So then I misunderstood what the Minister said. It's not, as far as he knows, part of the Western Northlands Agreement?

**MR. USKIW:** I'm not familiar with their program, Mr. Chairman.

**MR. ORCHARD:** Mr. Chairman, it's interesting to note that when we asked the Minister of Northern Affairs about some of the projects because there's I think a fairly sizable amount of money that was placed in the Enabling Vote and which is assigned to other departments for construction. I find if my memory serves me correct, I believe the Minister of Northern Affairs indicated that we should probably pose those questions to each individual department because they would be more familiar with the kind of construction undertakings, and so we passed and we didn't get clear answers as to what types of undertakings for this Enabling Vote money would proceed in the next year.

Now the Minister has indicated to us that there's 2.16 million in the Enabling Vote earmarked for the Department of Highways which is now in the Department of Finance, and the Minister of Highways is saying that well, I don't know what that's going to be for, it's more for the Minister of Northern Affairs to outline which projects are going to be undertaken in the Canada-Manitoba Northlands Development Agreement. I think the Minister can appreciate the problem we now have in that his Estimates, the Northern Affairs Department Estimates are passed, we don't have an opportunity to ask him for the outline of anticipated projects which will be undertaken this year and we didn't pursue the matter because it was indicated clearly that the other line departments involved would have those answers. Now I'm disappointed to say that I hear this Minister saying well, he doesn't have those specific pieces of information, that we should have asked the Minister of Northern Affairs. It's sort of akin to being whipsawed; only the problem is we're losing fast our opportunities to find out just exactly what sum, I believe, \$17 million or \$18 million might be expended under the — for what purpose that money might be expended under the Northlands Agreement.

**MR. USKIW:** Mr. Chairman, I suppose what we're involved in here is a degree of confusion because of the negotiations that are under way. I think what the

member is asking is whether we have the same specific components this year as we had last year and what are the dollars attached, which is covered by the Enabling Vote in Finance and to that question the answer is, that the \$2.160 million of which a \$1 million is airport improvement and I don't know where they are; resource roads are \$75 million and community roads are \$400,000, so that's sort of the direction, but it is to be paid for out of the Enabling Vote which is under the Department of Finance.

**MR. GOURLAY:** Mr. Chairman, that \$2.16 million represents 80 percent of the Enabling Vote or is that 100 percent?

**MR. USKIW:** That's 100 percent.

**MR. CHAIRMAN:** The Member for Pembina.

**MR. ORCHARD:** Mr. Chairman, I appreciate the Minister has now got some broad categories of expenditure. I take it that those three categories of airport improvements, resource roads and community roads cannot be broken down and earmarked to individual communities.

**MR. USKIW:** Mr. Chairman, in Norway House the 1982-83 program is about \$800,000 and that's reconstruction of the airport to DOT code C-minus Standard; The Pas has \$50,000 for gravel and consolidation at Grace Lake airstrip and St. Theresa Point has \$10,000, completion of redevelopment and then there's a miscellaneous item of \$150,000 which has the acquisition of a barge to transport equipment and materials for airport construction maintenance at Island Lake, Lake Winnipeg, South Indian Lake. That's the \$1 million.

**MR. ORCHARD:** Could I just ask one question there while it's fresh. The barge is to transport materials into several airports. Is that correct.

**MR. USKIW:** It's for airport construction, yes.

**MR. ORCHARD:** This is not the barge that has been proposed for the Saskeram area then?

**MR. USKIW:** No.

**MR. ORCHARD:** The Minister was just providing more information.

**MR. USKIW:** On the resource roads, completion of the Jenpeg-Norway House-Cross Lake road, graveling and compaction, Cross Lake cable ferry, and then of course community road upgrading, that's the \$750,000.00. On community roads, construction and reconstruction of community roads under the Canada-Manitoba Northlands Development Agreement, that's the \$400,000.00. That's all I have here as a description of the project.

**MR. ORCHARD:** Mr. Chairman, under the last item of \$400,000, there are no communities that the Minister can identify.

**MR. USKIW:** Sorry, Mr. Chairman, I missed one item. New Construction is the Norway House internal roads, that's the \$400,000.00.

**MR. ORCHARD:** So then the entire \$400,000 will be spent in the Norway House area?

**MR. USKIW:** Apparently, that's the estimate of the expenditure, yes.

**MR. ORCHARD:** Thank you, Mr. Chairman. Now the Norway House airport, just refresh my memory a little bit, that airport is at what standard now? Is this a lengthening of the airstrip in Norway House as well?

**MR. USKIW:** Yes, it's Code D, reconstruction to Code C-minus Standard.

**MR. ORCHARD:** It's code D at present.

**MR. USKIW:** Yes.

**MR. ORCHARD:** Now by being in Northlands, it's hoped that — now I realize you haven't established your cost-sharing — but it's hoped that if we see in past experience that the Feds would be sharing 60 percent of that cost when it's in Northlands.

**MR. USKIW:** It's 50-50, Mr. Chairman. It's a 50-50 formula with DOT.

**MR. ORCHARD:** That's not part of the Northlands Agreement then?

**MR. USKIW:** I think it comes under the Northern Development package, Mr. Chairman. There is no agreement at the moment or no Northlands Agreement.

**MR. ORCHARD:** Right. Now the question then, should there be no Northlands Agreement, do we assume that this \$800,000 will proceed because it is funded 50-50 with DOT?

**MR. USKIW:** I would presume so, but it would have to go back to Treasury Board for approval.

**MR. ORCHARD:** The Treasury Board in Manitoba, that means then that the Federal Government has already agreed that the airport reconstruction should take place.

**MR. USKIW:** Yes.

**MR. ORCHARD:** So then the status on that is going to be that it will in all likelihood go ahead with or without a signing of a Western Northlands Agreement because you've got agreed-upon Federal funding outside of the Western Northlands Agreement.

**MR. USKIW:** Yes, but it would require our Treasury Board approval to proceed with it under those circumstances.

**MR. ORCHARD:** Then do I assume that if the Western Northlands goes through, it will be part of

Western Northlands?

**MR. USKIW:** No. I have a note on that question, Mr. Chairman. The note on that whole question is that, "All projects provided for in Appropriation 15(a)(d) are eligible for Federal participation under the Canada-Manitoba Northern Development Agreement. Funding for these projects is provided for in the Estimates of the Minister of Finance. Funding for these projects will be allocated to this department following Treasury Board approval." That's the notation.

**MR. ORCHARD:** There is confusion here. I think the Minister can see where it's stemming from because the Western Northlands Agreement as I understand it in broad terms is going to provide a joint sharing whatever the ratio may be, between the Federal and Provincial Governments for certain projects to be undertaken in Northern Manitoba. But the Minister indicated that the Norway House airport is under a 50-50 cost-sharing with the Department of Transport and then, is the assumption correct that I would make, that should there be no Northlands Agreement that the \$800,000 would be expended because it's separate and apart from Northlands?

**MR. USKIW:** I would believe that to be the case, but it's still subject to Treasury Board approval.

**MR. ORCHARD:** Yes, I can appreciate it's still subject to Treasury Board approval, but I guess the point I'm making is that if Western Northlands materializes, would it not be the best use of dollars not to include this \$800,000 in Western Northlands since you already have the potential for funding from another Federal Government department other than Indian Affairs and DREE which are negotiating the Western Northlands Agreement? All I'm suggesting is, would the Minister not make the best use of dollars to have it excluded from Western Northlands and proceed with it without it.

**MR. USKIW:** Again, Mr. Chairman, that is not the role of this department. This department is the delivery role of the project. We don't get involved in the negotiations with the Federal Government. That is under the other department and indeed involves the Finance Department, that is their role, Mr. Chairman.

**MR. ORCHARD:** I certainly appreciate that, but could the Minister indicate whether I'm not understanding this, because if the other departments, Finance and Northern Affairs are negotiating a Western Northlands Agreement in which they intend to include \$800,000 worth of approval — and all agreements have an upper limit — now if that one is included in there for Norway House Airport it's going to deprive other projects from funding when the Minister leads me to understand that the Department of Transport has a cost-sharing agreement in place which the province can exercise independent of any Northlands Agreement.

**MR. USKIW:** Well, Mr. Chairman, I can only give an observation and that is that having had some knowledge of the way these negotiations are processed, or

pursued rather, it's not uncommon for the Federal Government to subsume things that are already in place in a broad agreement. That's not uncommon as a practice on the part of the Government of Canada, it's done all the time. So while one can make the argument that yes, let's try and separate this out because we already have this commitment, let's hope that this commitment doesn't reduce the next commitment. That's good posturing but whether we win that one or not, I have to assume that the province will negotiate in their best interests, Mr. Chairman, and will try to extract as many dollars as they can from the Government of Canada.

**MR. ORCHARD:** Well, Mr. Chairman, I question whether maybe there is some information that the Minister doesn't have available because if there is a 50-50 cost-sharing agreement in place right now that's independent of Western Northlands Agreement — and bear in mind, we've been negotiating Western Northland now for a couple of years — I think the province is in an excellent position to separate Norway House from the Western Northlands Agreement and failure to do that would be not negotiating with the firmest position available to the Minister of Finance. I'm quite sure that the Minister of Finance with his success in negotiating with the Minister of Finance could certainly make this case very very well.

**MR. USKIW:** Well, Mr. Chairman, I am not going to presume what is going to take place at another level, that is not our responsibility, that debate should take place in another area or jurisdiction.

**MR. ORCHARD:** Then just a final question. Would the Minister pursue this Norway House funding which is a 50-50 funding with The Federal Government under the Department of Transport, would he urge his Minister of Finance to pursue this funding negotiation independent from Northlands Agreement? It would seem to me that rolling it into the Northlands Agreement and agreeing to that would be in effect giving up \$400,000 of Federal Government support.

**MR. USKIW:** Well, Mr. Chairman, we're speculating on what will or won't, or may or may not happen. If it gets thrown out of this package it'll be in the other package or vice versa.

I have to assume that the negotiating parties are going to negotiate in a way that will give us the best dollar advantage, that's an assumption. It's not a role that this department plays however. Our department's role here is to merely deliver the project once it has been agreed upon.

**MR. CHAIRMAN:** That's 8.(a) Aids to Cities, Towns and Villages.

The Leader to the Opposition.

**MR. LYON:** A couple of questions to the Minister. One of them at least is a detail that I would like to find out about. There was some negotiation going on between the department and the Indian Band at Norway House with respect to the access road to the airport, part of which ran through the band property, the title to which remained with the Band and that led

to some law enforcement problems from time to time. Has that situation been cleared up to everyone's satisfaction?

**MR. USKIW:** We have a permit to get on the site but we don't have a copy of the privy council order. So that's the stage it's at. We do have a permit to be there.

**MR. LYON:** Thanks, Mr. Chairman. If the Minister could confirm it at some time, as I say, it's a matter of detail up there but it's important for the local people because of certain actions that flowed from the mixed jurisdiction on the title and as I recall a very simple thing that has to be accomplished — but the bureaucracy in Ottawa is not capable of accomplishing simple things — was to transfer the title of that road which the province had built to the name of the province. If that desirable situation can be accomplished why I'm sure some of the residents up there and some of the incoming residents by air will be quite happy.

**MR. USKIW:** Well, Mr. Chairman, we intend to concur with the views and the suggestions of the Leader of the Opposition. I presume that we will have an agreement to that effect but when it does arrive or whatever information we have on it, we're prepared to pass on.

**MR. LYON:** Another question, Mr. Chairman, relating to the Northern Development Agreement, there was a bridge constructed over the river at Norway House which was I guess in use this winter for the first time. Is that construction totally completed now?

**MR. USKIW:** I'm told that it is, yes.

**MR. LYON:** Traffic has been using it I take it? This'll be the first spring I would imagine that traffic will be able to use it?

**MR. USKIW:** Yes, that's correct.

**MR. LYON:** There was some discussion going on certainly with the previous Minister and some that came to my office with respect to a suitable name for that desirable piece of infrastructure that was added to the Norway House location. Has the Minister been able to settle that to the satisfaction of all concerned?

**MR. USKIW:** Quite frankly, I didn't even know that the bridge existed until this moment, Mr. Chairman. So the question of the name is of course something that I obviously didn't entertain.

**MR. LYON:** I'm sure that as the Minister becomes more familiar with his department he'll find that there are a number of exceedingly fine projects that were completed that he was totally unaware of, as were most of his colleagues. But projects of this nature, particularly built on such an historic site, it was thought that a little bit of time and trouble should be taken in consultation with the provincial archivist and others to see that it is properly named, so I merely indicate to the Minister that it is something that perhaps he can turn his talented attention to one of these days.

**MR. USKIW:** Well, Mr. Chairman, let me respond by suggesting to the Leader of the Opposition that I'd be most interested in some recommendations if he has some.

**MR. LYON:** I think we had, along with the provincial archivist, gathered some names that perhaps related to earlier historic characters who were well known in that area. Then there was a request I believe from the community council at Norway House for a name of a more neutral nature which had no historic antecedents to it and it was at that stage I think things were at, at about the time of the change of government.

If the Minister was not aware of the existence of the bridge then the second question of course is one he will have to take as notice. Has he been able to convince his federal counterpart, whoever the current Minister is who is responsible for the Northern Development Agreements, that that bridge should be opened because we were unable to convince them that the bridge should be opened last fall for reasons that I've never been able to understand.

**MR. USKIW:** I'd hardly want to comment on the reasons why they didn't want to pursue an official opening but I suspect I know what they are. That's something that I of course have no involvement in but I am sure we will be making arrangements to have an official opening.

**MR. LYON:** Did the final costs of the bridge come in, Mr. Chairman, about as expected? The figure that I recall was around \$800,000.00.

**MR. USKIW:** It's in excess of \$1 million.

**MR. LYON:** In excess of 1 million. So it followed the usual path of all Estimates in this day and age, and is up somewhat over Estimates. For the Minister's benefit, Mr. Chairman, I would suggest to him that he do pursue the idea of an official opening because the bridge was proceeded with in response to a genuine need in the community because there have been practically every breakup or freeze up in the fall, not every year, but there have been some loss of life directly attributable, particularly to young children trying to come over to school and so on, and boats and so on, to the absence of a bridge. The Minister may recall, Mr. Chairman, that there was a group at one stage who were wanting to have a large hotel or some such structure built up there and I think that the community and the government of the day were able to convince him that perhaps a bridge was of more need and more lasting benefit to the community than another licensed premise would in Norway House.

So, I encourage him and urge him to proceed with the official opening of that structure, giving of course full credit to the Federal Government for the part that they played in the financing of it and naming it with some idea to the history of that key part of our province and thereby ensuring that the whole area will benefit from something, while small in the overall expenditure of the department, I think is pretty important for that community.

**MR. USKIW:** Mr. Chairman, I detect a real interest on

the part of the Leader of the Opposition. Perhaps he would want to indicate that if there were such an event to take place in the near future whether he would be interested in participating.

**MR. LYON:** Oh, by all means, Mr. Chairman, if such an event takes place and I'm sure that the former Minister would like to be there as well, so we will look forward to hearing from him.

**MR. CHAIRMAN:** That's 8.(a) Aids to Cities, Towns and Villages — the Member for Pembina.

**MR. ORCHARD:** Yesterday when I was asking some questions in the Air Radio Division I posed questions which probably were more legitimately asked here and that being on the purchase of the Water Bomber No. 2, the one that's being delivered this spring. I believe that the Minister indicated that funding of some 2.8 or 3.9, I just forget the figure on dollars for that water bomber was included, and is it not included in this resolution rather than the one previous?

**MR. USKIW:** Mr. Chairman, I believe we gave those figures yesterday. The balance due is 3.234 million and I believe the total figure was 4.2. That's the figure I recall giving to the committee the other day.

**MR. ORCHARD:** If I might just take a minute here, then I might just ask a question to the department. The 3.2 that's going to be funded this year follows about a \$650,000 payment two years ago and about 410,000 down-payment when we placed the order, is that correct?

**MR. USKIW:** We had 147,000 voted in '81-82 and we're requesting another 147. —(Interjection)— That's the payment structure, I see.

**MR. ORCHARD:** No, that's aircraft one, Mr. Chairman.

**MR. USKIW:** Yes, \$4,312,500 was the price, that's the second one. The term of the purchase agreement required a down-payment of 10 percent which was \$431,250 and a further payment of 15 percent was made of \$646,875, 12 months from the date of agreement. The payments of the balance to be arranged upon delivery of the aircraft. That's the second, we're into the third one. The third one was a \$431,000 down-payment. —(Interjection)— Oh, 4.3 million, okay, I'm sorry, and the down-payment was 645,000 and there is a balance of 3,234,000 and that's due in this year. That's for Supplementary Supply to have to provide the money.

**MR. ORCHARD:** Mr. Chairman, is that money part of the 3.454 million under (c) Other Projects?

**MR. USKIW:** No, because we are going to be bringing in Supplementary Supply to cover that, Mr. Chairman.

**MR. ORCHARD:** Mr. Chairman, for what period of time has it been known that the delivery of the aircraft would be in June of '82?

**MR. USKIW:** February 16 is the date of the notification.



**MR. ORCHARD:** That was, I assume, a confirmation that delivery would be made then. Prior to February 16, was there any indication that the aircraft would not be delivered in the fiscal year 1982-83?

**MR. USKIW:** Mr. Chairman, the supplier was trying to negotiate a delay of delivery pending certain other commercial ventures on their part in another part of the world, but that subsequently fell through and then we were notified that delivery would take place.

**MR. ORCHARD:** So, I assume that is why in the normal budgeting process there was not \$3,234,000 appropriated in this expenditure?

**MR. USKIW:** Yes, the item was before us when we put the Estimate's package together, but because of at that point the knowledge that the company was wanting a delay in delivery, we decided to put the amount in the option list and we held it there until we went through the final process of Estimates review at which time we still didn't have that information. Subsequent to that, of course, we were told that the deal had fallen through in South America and that we would be supplied with the aircraft as per agreement to purchase which meant we then had to take the Supplementary Supply route in order to provide funds for it, Mr. Chairman.

**MR. ORCHARD:** Mr. Chairman, that information on the delivery date was not known until February 16, 1982?

**MR. USKIW:** That's the date that the department seems to recall, Mr. Chairman.

**MR. ORCHARD:** Now, the Minister mentioned the establishment of an optional list. This is a fairly significant item, \$3.25 million on the optional list. Could the Minister indicate whether there are any other optional list expenditures that will be presented for this department when Supplementary Supply is brought down?

**MR. USKIW:** Mr. Chairman, if there are, the member will be informed at the time.

**MR. ORCHARD:** I agree the member will be informed at the time except the member may not be in the House at the time to point out some of the information that we are now seeing in the Budget process. I believe there's some \$17 million in a Beef Program that's going to Supplementary Supply and now we've got 3.25 million in this one appropriation. The Supplementary Supply could be as big as the original tabling at the rate we're going.

Mr. Chairman, I'll defer the questions to my colleague, the Member for Minnedosa who has a few questions he would like to ask.

**MR. CHAIRMAN:** The Member for Minnedosa.

**MR. DAVID R. (Dave) BLAKE (Minnedosa):** Yes, Mr. Chairman, I probably could've asked them better further back, under Northern Development Agreement, because I think probably some of that money

was used in constructing some of the marine equipment, the ferries boats that we used in the north, the Lynn Lake, Thompson, Leaf Rapids area. One of the strong complaints that I heard last fall up there was the fact that these people travelled a considerable distance out to Thompson to do some shopping and if they didn't get back by 5 o'clock or 8 or whatever time it was that the ferry stopped running it was necessary to leave their vehicle on one side of the water and ferry the customers across - these were the taxi companies - ferry the customers across in a boat and have another cab from their company meet them on the other side. It was a matter of just rescheduling some time that the ferry might operate a little longer, say to midnight or something. The former Highways Minister wasn't to persuasive in having them change the scheduling at that particular moment. I'm hoping that the new Minister might have a little more success with rescheduling in order to assist the people there because they do travel a great number of miles to get out to Thompson to shop. It only gave them about three or four hours to shop and they had to hightail it back in order to get across the ferry before it stopped running. Knowing some of the government employees as soon as that bell rang 5, or whatever it was, that was it whether you were waiting on the other side blowing your horn or not you didn't get across.

It's a very simple thing as far as the local people are concerned to solve and I would encourage the Minister to look into that and do it. I know the type of ferry that was operating there was one of the more luxurious type and I think it would be better suited to work elsewhere and they could use probably a much cheaper pully-type ferry that was in use on the river closer into Thompson where the old chap lived in a small cabin right there and if you blew your horn he'd come up at 10 o'clock at night or whatever and ferry you across. It worked very, very successfully. I'm sure the Minister will be alerted to that and I would urge him to give consideration to changing that schedule allowing the people a little more time to get back from their shopping trips and get on their way home.

**MR. CHAIRMAN:** I'm wondering are we going to be passing this resolution today or . . .

**MR. USKIW:** You are talking about 8?

**MR. ORCHARD:** There are a few more questions, Mr. Chairman.

**MR. CHAIRMAN:** Did you want to call it 12:30 then? (Agreed)  
Committee rise.

## SUPPLY - AGRICULTURE

**MR. CHAIRMAN, John Plohman (Dauphin):** I bring the committee to order. I'd like to direct the members attention to the Main Estimates, Page 10, Resolution 11, Item 4.(b)(1).  
The Honourable Member for Emerson.

**MR. ALBERT DRIEDGER (Emerson):** Thank you, Mr. Chairman. I just have a question here to the Minister. Would this be the area where the dead animal removal

subject could be discussed?

**MR. CHAIRMAN:** The Honourable Minister.

**HON. BILL URUSKI (Interlake):** Mr. Chairman, that should be discussed under the Veterinary Services Branch.

**MR. CHAIRMAN:** The Honourable Member for Arthur.

**MR. JAMES E. DOWNEY (Arthur):** Mr. Chairman, yesterday the —(Interjection)— a point very well made. My colleague from Turtle Mountain says it's too late for a veterinarian at that point, he's talking the dead animal issue.

Mr. Chairman, the comments yesterday that were made under the Animal Industry Branch dealing with the problems that the Manco Dairy plant have been facing, that was one of the subjects that my colleague from Roblin-Russell was bringing to the attention of the Honourable Minister, is one which I several months ago had put a request forward to the Minister of Agriculture to deal with. Mr. Chairman, the Minister, I believe in his role as the Minister of Agriculture, has a responsibility to deal with the issue of dairy producers who are faced with such things as plant closures, making of a statement to give them a form of security, a form of knowledge that there is somebody that is in the Minister's office that has some concern over their plight.

Mr. Chairman, it was very obvious by the lack of statements that were coming out of the Minister's office that he did not want to take on that responsibility. Mr. Chairman, in further questioning and comments coming from the Member for Roblin-Russell to the Minister of Co-operative Development, it would appear that he has not had a lot of involvement, that there has been, again from questioning or comments made from the Minister of Economic Development, that from that particular department there has been very little input, in what I would say in a responsible way through a committee structure.

I would ask the Minister why wouldn't he have made some remarks or comments or an official statement from the Minister how, in fact, he was dealing with the situation where No. 1, we had four plants closing, not just one, Mr. Chairman, as the Member for Ste. Rose and the now Minister of Municipal Affairs was so excited about a year ago when there was an apparent slow down or a temporary closing of the Glenella Creamery. He, Mr. Chairman, made it a major issue on the floor of this Assembly.

Mr. Chairman, when I was the Minister of Agriculture, I'm not saying that everything ran perfectly but I would say that we had the Department of Agriculture put together with the Marketing Branch, a program to encourage the selling of the cheese that they were having a difficulty with at that particular time, but there certainly wasn't any attempt or any threat by Manco, as far as I was aware.

**MR. URUSKI:** Are you telling me that the problems arose since November.

**MR. DOWNEY:** No, I'm saying, Mr. Chairman, that there was an indication that they were having some

cheese sale problems, but there was no indications directly to me that there was any problem with the plants being closed or going to be closed. I had no notification of that, Mr. Chairman. If the Minister can give us some information that would say so, that's fine. I'm not saying they didn't have problems; it was marketing problems which we reacted to and responded to.

The closing of plants, Mr. Chairman, was an issue that arose this particular winter and I was somewhat surprised, disappointed and disillusioned, by the fact that we had three ministries of a government who were committed to helping the agricultural community, to helping the business community and those co-operatives in Manitoba. But what did they do? There wasn't one statement came from one Minister in giving any direction or any policy guidelines to the farm community. I was receiving phone calls; my colleague from Roblin-Russell was receiving phone calls from dairy producers saying, what is going to happen to our milk? Where are we going to deliver it?

Well, the Minister says, it's being delivered to Saskatchewan. It's being delivered to Saskatchewan, Mr. Chairman, at a loss to the whole dairy industry in Manitoba, to the whole labour force and to the whole Manitoba agricultural co-operative movement. And what did they do? They sat on their hands. The Minister said he didn't want to get involved; he would turn it over to the Natural Products Marketing Council. That's not good enough, Mr. Chairman, when we had four cheese plants, 50-some people being layed off.

**MR. URUSKI:** That's nonsense and you know it.

**MR. DOWNEY:** The Minister's saying, it's nonsense. Why didn't he stand up and make a statement on it? Why didn't he develop a committee or set up an inter-departmental committee between the Department of Environment, Department of Co-operative Development and the Ministry of Agriculture. He had staff available. We're voting right here for salaries for staff that are available to him, Mr. Chairman.

**MR. URUSKI:** Do you expect a Committee is going to solve the problem.

**MR. DOWNEY:** Mr. Chairman, the committee is going to work with the Manco group and with the dairy producers and at least be a mechanism for them to get information and reporting to; the same irresponsible way in which the recent spill of salt water and oil was handled by the Department of Environment; completely an abrogation of their responsibilities as a government.

Mr. Chairman they're sitting here on their hands when the dairy producers didn't know where they were going to deliver the milk and this is fact. This isn't, Mr. Chairman, a story that I'm making up. You can talk to any dairy producers that were traditionally shipping to those four plants and they didn't know what was going to happen to their milk; they didn't know where they were going to deliver the milk. Cows can't be turned off like a water tap; the cows have to produce that milk daily and it has to be taken from them and it has to go to a plant. When the closing of those plant announcements came, Mr. Chairman, I

would have thought the Ministries of the Department of Agriculture, the Department of Economic Development and the Department of Co-operatives, who the Minister of Co-operatives for four years if there was one cream can full of cream at the Glenella Creamery not able to be dumped because of health inspection problem, he got up and he gave us what for.

What has he done when four plants have closed, Mr. Chairman? The Minister of Economic Development, 50-some people laid off and the Minister of Agriculture, with all those dairy producers and those cows with no place to take their milk

**MR. ENNS:** And burgeoning udders, Mr. Chairman.

**MR. DOWNEY:** That's right, Mr. Chairman. It is a serious situation; it's a sad situation that he hasn't developed a committee within the three departments to work with Manco, to work with the Dairy Producers Marketing Board and to resolve this problem. What has he done, Mr. Chairman? He said, I have met with the Producer Marketing Board; I have met, Mr. Chairman, with the Manco people, with the president of the Manco thing. Why, Mr. Chairman? He doesn't have to keep meeting with them, we're voting salaries of staff who are very qualified people who could have, on a continuous basis, worked with them to help work their way through this, from the Department of Economic Development, from the Department of Co-operatives and from his own department; and they're very qualified people and that's why we're paying tax money and voting it here in Salaries, Mr. Chairman, from the department of Animal Industries.

Mr. Chairman, I cannot understand the Minister. He has met with hundreds of beef producers he is saying. I've met with 200; I've met with the farm organizations; he didn't listen to them, but he met with them. Mr. Chairman, his job, I believe, is to develop policies and put people in place that can do the kinds of works that have to be done on an ongoing basis, or is he telling us that he has to make all the decisions now when it comes to the administration, that he won't let the department work, or maybe there's somebody else that's not too far away from him in that office. When we read some of the hirings that are taking place and the way in which the Department of Agriculture is traditionally run, it's a very very serious situation. Maybe these staff aren't going to be able to work with the farm community without having to check with the upper echelon of the New Democratic Party or political hacks that are hired by that Minister. That, Mr. Chairman, is one of the other concerns that I have.

Why, Mr. Chairman, hasn't he put a staff dealing specifically with this? I'm not saying it developed since he became the Minister. I was informed that there were problems with the selling of cheese but I immediately, Mr. Chairman, detailed the Department of Marketing, the marketing branch, to work with Manco to get on with the sales and they resolved some of it, Mr. Chairman. Well, Mr. Chairman, that's what the Minister said. When I was a Minister there weren't four plants closed, Mr. Chairman. Four plants closed since he's become the Minister, four plants, 50 people. They re-opened, Mr. Chairman, and you know why they re-opened? Because some of the col-

leagues on this side of the House, some of my colleagues on this side of the House, we got involved in it and we started putting some pressure on the Minister to do something about it, and some political activity, to get involved, Mr. Chairman, yes, to get involved. He's happy to get involved in the beef industry, he wants to wade into it, but when it is his responsibility in an area of the dairy industry he won't touch it. He won't touch it, Mr. Chairman, and why won't he touch it? Why won't he touch it and take on his responsibility? Mr. Chairman, his branch, the Salaries we're voting in the animal industry branch, he has staff available to do the kind of work that has to be done.

His colleague the Member for Ste. Rose who's now the great Minister of Municipal Affairs as his Premier would say, that they're so fortunate to have a man of that ability. Well why hasn't that man who was so worried about one Glenella Creamery not being able to operate because of a health problem for a few days and giving us the what for, why hasn't he done some things? But he's let four plants close, four plants and 50 some people laid off. That's not good enough, Mr. Chairman, for a government that got in on an election promise that they weren't going to let any of these things happen.

So, Mr. Chairman, I would like the Minister to tell me why he hasn't appointed staff, an interdepartmental committee to resolve the problems or help resolve the problems that the Manco Industry, the Manco Dairies are facing, that the Milk Producers Marketing Board are having with them. Why are we exporting milk, Mr. Chairman, and these are all questions he should be answering? Why are we exporting milk and jobs to Saskatchewan? Because that's what we're doing, every truck load of milk goes 50 some jobs, 50 some jobs. Is that what he wants to have, is a barren land of cows that can't be milked because there's no place to process the milk in this province? And that's what we've got, Mr. Chairman. He has staff to do that, why hasn't he put them to that task?

Mr. Chairman, when those jobs leave this province, when that milk goes it's very difficult to get it back. It isn't just those individual producers that are losing, it's the producers that are shareholders in the Manco Co-op, and you know that. It's the producers throughout the province that have to take less money, because you know what costs of transportation have done. Costs of transportation are very excessive today with energy costs skyrocketing the way they are and we're transporting one of our main raw commodities. Well, Mr. Chairman, he's heard something about it. He's heard, we've transported some of our main raw commodities out of this province, we've had dairy producers hurt by it and he hasn't gone to far as to establish a committee of his department in the animal industry branch, the Department of Economic Co-operative Development. Why hasn't he done this kind of work, made a statement and got involved, Mr. Chairman?

**MR. URUSKI:** Mr. Chairman, it appears the Honourable Member for Arthur wants to go on a tirade and wants to go again. Well obviously the Member for Arthur hasn't been listening to the statements that I've made in this House, and have made publicly and to his colleague, and to the people of Manitoba.

Mr. Chairman, I don't intend to get into a public harangue in terms of the Manco situation and what is to be done and what is not to be done. We are working with that co-operative, Mr. Chairman. We are working and have been all the way through, Mr. Chairman. In fact the first notice I received that there were problems in the plant was at a meeting with the chairman of that board and the general manager and we said we wanted to give them all the assistance we could and we have, Mr. Chairman. Well, Mr. Chairman, the Member for Arthur says "Oh no we haven't." Let him first listen to what I have to say, Mr. Chairman.

When we were advised that they were having difficulties, they indicated that they were in such difficulties that they may have to shut down their plants. We said we would like to sit down with them and see what could be accomplished. Even before we had a chance, or staff had already moved in, the announcement was made. Several days later the announcement was revised and instead of four plants being closed they decided to close two plants, Mr. Chairman.

Our dairy staff and our marketing staff have been working continuously with Manco in the plants and on production of cheese and the quality, and quality was part of the problem that Manco was having, Mr. Chairman. Obviously the Member for Arthur wants to forget that you don't stockpile the amount of cheese in storage. That doesn't happen overnight in terms of the inventory problems that Manitoba has had, Mr. Chairman. He just can't slough it under the table that he wasn't aware that there was a quality problem when he was in office. We didn't get to those stocks that they had in storage in four months, Mr. Chairman. Obviously he wants to forget what problems and what has happened over the last couple of years and how they've gotten themselves into that difficulty.

So, Mr. Chairman, we're still working with Manco and we will continue to do so to try and assist them in resolving some of the quality control problems, some of the marketing problems. —(Interjection)—Mr. Chairman, the member can talk about committees all he wants. Committees can do whatever they want. What is required is action and concrete work and that's what we've been trying to do, Mr. Chairman, in terms of improving the quality of the cheese and we're still continuing to work with the Manco people.

**MR. CHAIRMAN:** The Honourable Member for Lakeside.

**MR. HARRY ENNS (Lakeside):** Well, Mr. Chairman, I would like to take a moment at this time to put on the record what, upon re-reading, would sound like a fairy tale, Mr. Chairman but unfortunately the Minister will recognize that it is everything but a fairy tale, and that has to do with the grandiose plan that another NDP Minister of Agriculture had about how he was going to centralize the milk industry in the Province of Manitoba. It could be entitled the Saga of Crocus Foods.

Mr. Chairman, for the benefit of those many members of the members opposite who are interested in agricultural affairs and some of them who were not in this Chamber in the early Seventies when the saga of Crocus Foods began, I have to fill in the history somewhat because, Mr. Chairman, as is their bent, I

relate the story because of the serious implications it has with respect to the beef producers in this province who are, it would appear to be, merging towards the same destination.

It was felt in the early Seventies, Mr. Chairman, that the entire milk industry in Manitoba, not to be rationalized, spurred on by the fact that one of those evil multinationals — U.S. backed multinational, I think Beatrice Foods was the name — in a significant way became involved in milk processing in the Province of Manitoba through the acquisition of several major dairy processors like Modern Dairies. That of course rankled the honourable members opposite and their knee-jerk response was, we can't allow that to happen; we the government will take over in essence the milk processing in the Province of Manitoba.

Mr. Chairman, would you believe it that they actually went that far to starting to deduct money off the milk producers? They actually took some \$90,000, I believe it was in that order, that they were deducting from the processors as part of the costs that would have to be borne by the producers in building up this centralized plan which was to be located in Selkirk. It was to be — at that time in 1970 dollars — a \$10 to \$12 million processing plant.

Mr. Speaker, it was the job of the Opposition at that time — and I was part of it, other members of the Conservative Party were part of it — that managed to in this Chamber essentially stop that program from going forward. Mr. Chairman, it's one of the few occasions that I can recall where the Opposition didn't merely indulge in the exercise, the freedom that we have to point out problems associated with the introduction of would-be government programs, but in effect stopped that program. I think the Honourable Minister will acknowledge that that in fact happened.

Mr. Chairman, why did we stop that program? Why did we feel that concerned about the program? Because, Mr. Speaker, we saw it and Manco Dairies saw it as did any other people involved in the process knew, that had that plan proceeded we would not now be talking about the closure of two or three or four plants in Manitoba. Most, if not all of the private and independent and co-operative plants would have had to close their doors and we would have had one massive centralized plant called Crocus at Selkirk. It then, of course, became a problem.

The logistics of moving milk from the vast areas of the Province of Manitoba to Selkirk at obviously some expense, the end result could have only meant a higher cost product to the consumer; the end result could have only been higher cost of doing business to the producer, the milk producer, but, Mr. Chairman, the administration would have had that comfortable feeling of having their arms totally embracing the milk industry in this Province of Manitoba and shutting out those undesirable aliens that intrude in the marketplace from time to time. They do a pretty good job mind you, Mr. Chairman. I think by and large with the notable exceptions that we're talking about here the milk industry is well run and well served by both components; by the producers involvement in their marketing structures; by the processors in their pretty capable job of marketing the product in a way — (Interjection)— there are exceptions. But, Mr. Chairman, to that extent I think the necessary mix of public

and private works to the advantages of all, of the producer and of the consumer. That process was in jeopardy in the early 1970's by a then willful determination on the part of the government to centralize and create the Crocus Food Plant at Selkirk, or the milk processing plant at Selkirk.

Mr. Chairman, I would like to think that the Minister takes the time to reread some of the issues that were raised at that time before he travels too far down the path with respect to beef. The outward appearances, the outward signs certainly are there, that the Minister will first of all have to do something with the cattle that will come under his jurisdiction under the Beef Assurance Program. He will have to as he's already indicated want to keep a tighter control of where those cattle are so he will set up a beef marketing commission, a single selling desk to handle those animals. Mr. Chairman, he's going to find himself from time to time if the program is reasonably successful, that he's going to have a bunch of fattened slaughter steers on his hands and perhaps an unwilling private marketing source to accept them on his conditions; or conditions satisfactory to the producers that he has lured into the plan. So, step number three, what will he call it? It won't be Crocus, it'll be called something else, but he is inevitably drawn into the packing business which doesn't frighten the Honourable Minister at all because it is in keeping with his philosophy.

But, Mr. Chairman, organizations have worked, served the farm community well over the years, have gone this path. I name the pool organization as being a principal group, that over the years have in a lesser way but nonetheless in a parallel way have for what they believed to be good rational arguments, gone into the beef business. At times when grain was moving slow the pool theorists suggested that Manitoba Pool should be in the cattle business, so they had a fairly extensive livestock division being operated under Manitoba Pool. Indeed, Mr. Chairman, the very person that has been named to head the new Beef Marketing Agency, I believe headed that division for Manitoba Pool, a Mr. Joe Dunsmore, a very fine and capable person.

But, Mr. Chairman, what has been that experience for Manitoba Pool? That used to cause no end of disagreements at annual pool meetings because in actual practice that division was a constant drain on what the shareholders, the grain producers thought of their monies. While on paper it should have worked, on paper it should have helped to move the log jam or break open the log jam of stalled grain sales and market some of the grain through beef, and in fact I shouldn't be that harsh, I'm sure it did to some extent. The program was fairly extensive; the program operated for a number of years but, Mr. Chairman, in the final analysis, because of the vague reason, because of the high risk involved in the beef industry, a major farm organization like Manitoba Pool in the final analysis backed out of that program after having suffered serious and extensive losses.

Now, Mr. Chairman, that doesn't concern the present Minister or the present government. As I said the other day, where angels fear to tread this Minister boldly marches on to that thin ice. But I couldn't help but recall that the Minister would well be advised that in rereading the history of the ill-fated Crocus Food

Processing Plant to be built at Selkirk and the reluctant recognition on the part of one of his predecessors, the Honourable Member for Lac Du Bonnet, who had to in the final analysis back away from that Program after it was well on its way. I believe architectural plans had been drawn up for the building. As I said, actual monies had been collected from processors which then had to in an embarrassing way rebate it to the processors. By the way, I think the Opposition can take some credit for the fact that happened because it was insistence of the Opposition of the day, daily questioning, when was that \$90,000 to be returned to the producers after the government had abandoned that ill-fated attempt at centralization.

Mr. Chairman, I don't think we have to or should at all times be at loggerheads in this committee. I am prepared to contribute to this Minister's Estimates in what I believe to be in a responsible way. I don't think we have to consistently and constantly be worried about scoring political brownie points in these debates but I think, Mr. Chairman, that it is incumbent, particularly on members like myself, that have had the privilege of occupying the same position that he now holds and also members like myself who have seen the passage of some time in history in this Chamber as has the present Minister that we recall some of these — I say and I'm prepared to say with some generosity — well-meaning efforts to resolve an issue.

There are always problems relative to any segment of the agricultural community whether it's beef, whether it's milk, whether it's eggs or the processing end of it, etc., etc. But, Mr. Chairman, I took the advantage of speaking to this point while we're raising the question of closed processing plants in the province to remind the honourable member that in my judgment and obviously in the judgment of the then Minister and certainly in the judgment of many people that were involved in the industry that had that centralized Crocus plant been proceeded with there would have been a very massive and serious disruption of how that part was being processed and disbursed in this province.

Indeed that was, I think, the telling argument that convinced the then administration to back off from that program, that well established co-operative organizations like Manco as well as some of the private processing firms throughout Manitoba saw that as a distinct danger, jeopardy, to their continued existence. Mr. Chairman, you being a person of some logic, can understand there's only so much product to be processed. If the present capacity is being processed in 30 or 40 or 10 or 20, whatever it is, individual plants scattered through the Province of Manitoba and thereby helping out with the logistics problems in terms of how far you can transport a perishable product like fresh milk, job opportunities — not major I'll admit — but nonetheless, a creamery, a processing plant is important to Pilot Mound, is important to Winkler, is important to the places where they are located whether it employs 10, 15, or 12 or 8 people. That would have been disrupted. I'm not saying that the overall net result to the industry would have been changed all that much, that the product would have been collected at one centralized plant. I can only see increased dollars in that happening just because of

the logistics involved, the miles.

Milk had to travel from Dauphin to Selkirk, Mr. Chairman. You will understand that there has to be a dollar cost involved. The plan envisaged the government getting into a fleet of milk tanker trucks because they recognized if they proceeded along this course, the trucking industry, the movement, the transportation of milk would have to be rationalized. There would have had to have been a Crowsnest rate, you know, agreement in the movement of milk to get that all to that one massive plant at Selkirk. In the meantime though, Mr. Chairman, what would have happened? What would have happened to a government that professes to have, and I believe they are sincere, a concern for the maintenance of rural Manitoba, the maintenance of our smaller communities, the maintenance of the family farm throughout the width and breadth of this province? That all would have been a blow against that strategy in their centralizing move to build this massive plant at Selkirk.

Mr. Chairman, with the efforts of the Opposition of that day and with the reluctant but nonetheless recognition in coming to the senses of the government of that day, that plan did not proceed. The fact that we have problems at the moment in some of our plants simply points out that the problem still exists. The fact, Mr. Chairman, that there may well have been, some of the problems may well have been brought upon the industry by themselves by unrealistic pricing mechanisms that perhaps have not taken cognizance of the market that's available for the product, cheese in this instance particularly. That's another question. I'm not entering into that question, but these are responsibilities that members, directors of marketing boards, producer boards have to constantly take into consideration.

It's one thing to comfortably sit and make a decision that the price of their product, and with all justification, should be so and so but, Mr. Chairman, if the consumer, if the resultant cost of that product then comes out of reach or non-competitive in not only our markets but in world markets, then they have nobody but themselves to blame if the market begins to shrink. I think the directors of various commodity boards; the Turkey Board, the Egg Board, the Broiler Board, have to always take that very much into consideration and I know they do, Mr. Chairman, but I suggest to the Honourable Minister that centralization is no answer to the resolution of that problem. Thank you, Mr. Chairman.

**MR. URUSKI:** Mr. Chairman, I thank the honourable member for his comments. There's a bit of a history that he may want to forget or has left aside in his thrust of the debate. I think he should recall that initially when discussions were being held with respect to improving the facilities and the capacity of the dairy processing industry in Manitoba that those kinds of discussions were held with Manco and, in fact, there was encouragement because there was need for expanded facilities in drying, in the whey processing, in the cheese and powdered milk, the whole host of facilities that were necessary, some of the problems of which history is now repeating itself. We're back into that problem, Mr. Chairman. Obviously at that point in time in history, going back as I can recall, is

that Manco didn't want to have any part in that kind of expansion and to have that whole range of facilities available to their producers. So, Mr. Chairman, the crunch does come back again as to capacity, as to be able to handle the milk.

I mean, now the concerns are, I'm concerned and the members opposite are concerned, that milk has to leave this province to be processed elsewhere because we don't have the capacity in this province to handle the supplies that are here. Well, Mr. Chairman, the member is shaking his head. That's really what is happening. The type of product that can be moved, we don't have those facilities. They're being looked at as I understand by Manco itself in terms of drying capabilities and the like; those are being looked at. They're still not here and there are problems associated with the now process and obviously I can only say they will likely get worse if those plants stay closed. There's no doubt about it. Come springtime when the supply of milk starts increasing, there will be some further problems associated with this.

I can only look down the line and say, look, we just can't continue — and the member raised it — to supply or to produce cheese on a market that can't absorb that kind of a product, but the necessary facilities aren't here to change and to go after markets that are available in another part of this country or another world market because we don't have that type of equipment to be able to change the production line because we've moved in a certain direction. That's part of the problem that is envisaged, but the member, while he has indicated that the government was trying to do something that was totally against the requirements of the dairy industry and the people of Manitoba, Mr. Chairman, we can argue about location and I think that's maybe what the honourable member was arguing about, about the location of the plant, of where it should go. But I didn't gather from his remarks that he was talking about a plant of that nature wasn't required on the Manitoba scene to be able to handle the milk supplies and to make those shifts when necessary from one type of a product to another to be able to handle the supply of milk that was in Manitoba. If I gathered from his comments, he wasn't arguing so much that kind of a plant was not needed in this province. I gather the tinge from his remarks it was location that we were arguing about as to where it might have been better located. Would the Member for Lakeside, would he have opposed Manco's decision to build that kind of a plant and on a co-operative basis handled the milk supplies that were there in the Province of Manitoba? I don't know whether he would have. I'd like to know what his thinking would have been or the Milk Producer's Co-operative of the Province of Manitoba who may decide or may wish to decide or would have decided that they wanted to build such kind of a facility to handle the milk supplies. Would he have opposed that kind of a move?

**MR. ENNS:** It's a peaceful Friday morning, but the Minister's got my dander up. I think now I need a definitive answer; I want to know precisely where the Minister is? Yes or no. Is he with Her Majesty's British Empire in the Falkland Island dispute or is he with the Government of Argentina? I think we have to estab-

lish that first, Mr. Chairman.

**MR. CHAIRMAN:** Would the Honourable Minister care to answer that?

**MR. URUSKI:** Mr. Chairman, I am in the Legislative Building of Manitoba.

**MR. ENNS:** The Minister avoided it; I don't think we gain by repeating history although we do learn from history. The Minister made an interesting comment that history repeats itself. It prompts me to ask him a serious question. If he believes that is so, does the Minister intend to address the problem that we were discussing, namely, some of the problems in the milk industry generally in the same manner that his predecessor in the previous NDP administration approached it? In other words, will the drawings, the architectural designs of the Crocus plant be dusted off and reintroduced by this government, by this Minister?

**MR. URUSKI:** Mr. Chairman, there are no plans or discussions in terms of — to be very specific to the honourable member — designing or going into any grandiose schemes. But I raised the point to the honourable member; he didn't answer that with respect to producer groups, Manco is a producer group, the Milk Producers' Co-operative is a producer group which relates to all the producers as well as the Milk Marketing Board. There are three groups within the dairy industry of Manitoba. I'd like to know what his comments are to the questions that I raised. I intend to and I've tried to work co-operatively with the dairy industry and that will be my intention, Mr. Chairman.

**MR. ENNS:** You know, Mr. Chairman, one of the two privileges of being in Opposition is that I don't have to have the answers. I ask the questions; he's supposed to give the answers. Let's just keep that No. 1 rule in mind. There aren't that many privileges accorded to being in Opposition, but that happens to be one of them. Mr. Chairman, the honourable member, of course, refuses and skirts around the question of the disruption of where milk gets processed in his response to the question of a centralized facility and that's what brought on the subject this morning. The Honourable Member for Roblin-Russell was expressing his very real concern about plants that are idle and shut down at this moment in his constituency, and it's that kind of unavoidable disruption that could only occur with the revitalization of the Crocus Food Processing Plant should it occur.

**MR. URUSKI:** Just to put the record straight. When I said that history repeats itself, it does, Mr. Chairman, and it is. Many producers are saying and have said over the last couple of years that we should examine a facility. We have some outdated facilities, outmoded facilities, in the Province of Manitoba and there is and there will have to be some rebuilding and some of it has begun.

So, Mr. Chairman, while the honourable member may wish to say a year from now, to myself, "You told us that nothing was going to happen." I said I want to work co-operatively with the producers because there is a capacity problem in this province, Mr. Chairman.

That's the reason why we're having to ship milk out of this province when two small plants are closed because we have no capacity to divert milk to other uses. That's part of the problem that will dog us until some decisions are made by the dairy industry in this province.

**MR. CHAIRMAN:** The Honourable Member for Roblin-Russell.

**MR. McKENZIE:** Mr. Chairman, I just have a few questions to ask the Minister. As reported to me that meetings were held in late February in Rossburn and I think another meeting was held in March and according to the information I got Mr. Pallett, the General Manager of Manco was present. I think Bob DeMeyers, the Vice-President of the Milk Producers Marketing Board, was there and several producers, and Mr. Shelburn in his capacity as President of the board made some pretty glaring statements at the meeting that stirred up a lot of anxiety. He went on to say that if a producer isn't making money now, that he should get out of the business. Then a petition was circulated, I think at Pilot Mound and Winkler, and I think at Rossburn and this petition — I wonder if the Minister has a copy of it or he was briefed on it or he has memos of it — it said that they don't agree with the present delegate system which is controlled by the cream producers who represent only approximately 5 percent of Manco's volume.

Another resolution was that they don't agree with the present board in their decision to close down the plants at Pilot Mound and Rossburn and another part of the resolution said that they didn't feel the present board of directors — in fact they said they felt they should resign and a new board should be elected as soon as possible under a new delegating system putting the producers that produce approximately 95 percent of the volume on the board.

Then Mr. Sharpe in his capacity as President of the Milk Producers proposed a resolution to the membership as well, as I understand it, that he said he would like to offer the services of his organization to a meeting of Manco's board, to the Milk Producers Marketing Board, to the government and to the financial institutions to come and see if they could come to some solution as to how they could resolve the problem. My understanding was those resolutions were carried unanimously by the meetings and so I just wonder if the Minister was briefed on those happenings that took place as they tried to resolve the problem and, of course, as the Minister said until the plants reopen the matter is escalating every day, the problems are escalating that go with it. So I sincerely hope through all these efforts and the fact that we're discussing it in this committee, that very soon we can get both of those plants functioning again and back onstream to try and save that industry.

**MR. URUSKI:** Mr. Chairman, I don't intend to have myself drawn into a debate on resolutions and what the board of directors and the producers have in their decisions on their operations of their plant. I have been advised of those resolutions. Staff from my department and Co-operative Development attended those meetings. As I understand it, subsequent to

those resolutions being passed there was the appeal to the Natural Products Marketing Council and that appeal has been decided upon and we're working with them in terms of the plants and marketing, but those resolutions will have to be decided by their board and their producers as to where they go.

**MR. CHAIRMAN:** The Honourable Member for Morris.

**MR. CLAYTON MANNES (Morris):** Thank you, Mr. Chairman. I found this last 25 minutes intriguing, I've learned a lot but I'm wondering if the type of new equipment that the Minister sees as a salvation to the surplus milk problem we have is specifically and basically in the drying type of equipment, changing the surplus milk into powder. It appears to me that's the only way we'll maintain our share of national quota if we put it to that use. Of course I don't know where all the surplus milk is being powdered at this time although certainly St. Claude is running 24 hours a day I know and Grunthal also.

But the question I have is, and the Minister says that possibly there could be three groups that may be looking at expansion in this whole area and he talks about Manco maybe considering the installation of new equipment, allowing them to that end and the Producers Co-operative, although I fail to see how they themselves could be involved in processing, but no doubt the Producers Marketing Board possibly has that option available to them also.

But through it all, regardless of which group that may make that decision for the benefit of the industry or their certain clientele of supporters, will be approaching no doubt the government for some type of support one way or the other, would this government undertake to support efforts in that regard? Firstly and secondly, would they want to be an active participant in the determination of the location of any such facility?

**MR. URUSKI:** Mr. Chairman, until such a time as there is a decision and a direction made and something brought forward to the government, I'm not in a position as to what the thinking is within the industry. I do know that there have been applications, I believe, even by Manco to the dairy board to look at expansion and other facilities that they have themselves looked at and there have been discussions internally.

Certainly, I would be the last one to say, no we wouldn't have to play any role in it. It would be our intention to look at and examine what kind of proposals and what role the government, if any, would play in this area.

**MR. CHAIRMAN:** The Member for Lakeside.

**MR. ENNS:** Mr. Chairman, just a few specific questions on this item before we pass it.

By the way, Mr. Chairman, I wish to take this opportunity to compliment the staff of the Department of Agriculture in the Animal Industry Branch. I think they do, by and large, an excellent job in maintaining the welfare and the health of our industry in the Province of Manitoba.

My specific question, does the Minister have any information with respect to the current state of affairs

with respect to brucellosis in our herds? It's a program that we have more or less eradicated in the province, but are there any plans for a firm program for retesting or has the current level of retesting that of all slaughter cows, etc., by and large, been successful in maintaining the kind of data that is required?

The issue is raised of course, members again, particularly some members that aren't familiar with that kind of a problem that the animal industry faces in this province was severe in years gone past as any of these diseases can be. The recent outbreak of Foot and Mouth disease in Denmark simply points out again how fast and how devastating an outbreak of a serious disease like that can be to the well-being, the livelihood of peoples involved in the industry, so I ask the question on behalf of my constituents whether or not he can give us any updating of what their department is doing with respect to the control of brucellosis, better known as Bang's Disease.

**MR. URUSKI:** Mr. Chairman, at least on one occasion we can stand here and be proud of the efforts that have been undertaken by the Federal and Provincial people in terms of the testing. I am advised that later on in 1982, with all the finishing touches of testing that have to be worked out between the two provinces, but that Manitoba and Saskatchewan I am advised are to be declared disease-free, so I am very pleased to be able to give that kind of information to the honourable member.

Recognizing what is happening across the ocean in terms of the pork industry in Denmark which is although very serious for the people across the ocean, will of course bring, is going to be bringing and has already affected the market price of hogs in this province and the potential of picking up some of the exports into Japan and into other parts of the world.

The hog producers, I've just recently met with them, in fact, Tuesday evening with the Hog Board and we had discussions in this area and they have advised that they are quite optimistic as to the possibilities and potentials and they've had approaches made to them by the Japanese for long term contracts in view of the serious situation from Denmark.

**MR. ENNS:** Mr. Chairman, just in the same vein, another question. Several years ago, perhaps a half-a-dozen years ago, there was another problem involving Salmonella particularly in the Interlake. There were also problems relative to suspected contaminated feed supplies particularly in the concentrate that was being used at the time coming from a contaminated source. Again, just a general question to the Minister, is Salmonella a problem in any of the areas of Manitoba? Have any recent reports surfaced during this current winter feeding program?

**MR. URUSKI:** Thanks, Mr. Chairman. I'm advised that there is ongoing testing and checking by the staff and through the feed lab of feed supplies. I'm advised that it doesn't appear to be any more of a problem or any specific areas that there is a problem than there has been at any time before. To try and maybe get a better update I would have to try and get that information for the honourable member, but that's basically my advice at this point in time.



**MR. ENNS:** I thank the Minister for that response. One final question in this area, Mr. Chairman. The Diagnostic Pet Lab facilities at the University of Manitoba carries out an important function for livestock producers of all description in making that facility available for the kind of veterinarian assistance, diagnostic assistance, that is required to maintain, or at least try to resolve some of the difficulties that various producers experience from time to time, has the Minister available to him any, again I don't ask for exact figures, but any stats that will indicate to us the extent to which the Manitoba producers are availing themselves of the services at the centre, at the Diagnostic Lab at the U. of M. in terms of the number of requests, the number of diagnoses that are made. It would be interesting to know whether that facility is being utilized to the extent that it could and should be. I know it is of the highest quality and I'm aware that, I suppose in most instances, it works under a referral system, by that I mean the veterinarians in the province very often will refer samples to that lab for further analysis. Any information that the Minister can provide with respect to the extent that facility is being used by Manitoba producers would be, I think, appreciated at this point in time.

**MR. URUSKI:** Yes, Mr. Chairman, I know we're going through various areas in this area and I'll try and accommodate the honourable members. I can report to him that in the last '78, '79, '80, there has been a drop in the number of assessments or species brought in to the vet lab, but the number of tests and the type of tests that have been conducted have been modestly increasing every year so that the actual use of the lab and the amount of tests is modestly increasing from 84,078 in 1978 to 1980 statistics that we have to 93,000. So the number of tests have increased but the number of assessments dropped from 9,635 to a 1980 figure of 7,961. There's been a drop in that area but the test load and the numbers have been increasing substantially.

**MR. CHAIRMAN:** The Honourable Member for Morris.

**MR. MANNES:** Thank you. This question may be a little bit redundant. You may have answered part of it two questions ago to the Member for Lakeside, but I'm curious as to the general health of the livestock herd in Manitoba. Certainly, and I guess specifically then to the cattle, we've had some reports last fall of some bad situations. Of course, they were probably sensationalized a little bit, but we'd gone through a hard winter, we were led to believe, in some parts of the province, that feed stocks are low. What is the general state of health of the cattle herd in this province, or is there any accurate way of measuring it?

**MR. URUSKI:** Mr. Chairman, I'm advised that there were 18 herds that were brought to the attention of the department over this winter, 6 of which were checked and found to be problems with and the remainder there has been some work done with them, but actually I'm advised, in terms of the statistics or numbers of problems that they've had this winter has probably been lower than historical.

**MR. DOWNEY:** Mr. Chairman, that brings forward a question that I would have to think the Minister would want to check a little more carefully before he made that kind of a statement that it's a more healthful situation this year than other years. If I can recall just the immediate year previous to this past winter, I can recall possibly one or two investigations that were made by the department; that information I'm sure is available. This past winter I would have to say has been an extremely difficult time for a lot of producers with the extreme cold weather from the 1st of January on, particularly last year in the western part of the province which I pointed out to the Minister by letter, there was an extremely difficult time with feed supplies and there's been a tremendous amount of hay purchased and moved in. There was a tremendous competition from the Saskatchewan beef industry where there was a feed-freight assistance program and there wasn't one in place in Manitoba. The producers desperately needed one; the government did not act.

Mr. Chairman, the Minister cannot pass over this very lightly because it is a very serious offence for anyone who does abuse their livestock and not feed them, because there are some people in my constituency who have just served time in the detention institute for neglecting the care of their livestock. I'm not saying it's directly the responsibility, or directly the fault of the Minister, but he cannot leave on the record that this year is somewhat easier than other years because of the extremely difficult conditions, at least those reported, or those severe conditions, I think were greater this past winter than on a normal basis, Mr. Chairman. It is a very serious offence not to take care of animals and there does go along with it a jail sentence if, in fact, the responsibilities of maintaining livestock in a proper manner, if there are charges laid, so it can't be taken lightly.

I know the Minister said in a general way probably across the province and, as I pointed out by letter, and I'm sure the Member for Roblin-Russell who is also from the western region of the province, the Member for Virden, the Member for Turtle Mountain probably, and my particular area, the Arthur Constituency, was an extremely difficult year for feed supplies and there has been thousands of dollars spent on the hopes, Mr. Chairman, that a beef program would have been announced to help pay for some of the feed costs, a program that would have been of some meaning. —(Interjection)—

Mr. Chairman, again from his seat, he is saying the same thing as he said to me yesterday, the same thing as he said to the Member for Lakeside, tell me what you would do? He's now trying to ask the questions, and he has to realize that he is now occupying . . . He sits there and says, where do you stand, what would you have done? Mr. Chairman, that's not the question at this point. It's what he has done —(Interjection)— That's right, he's laid them before us, Mr. Chairman, he has to realize that. He better speak to his Premier if he's not prepared to carry on with the job, Mr. Chairman. That's the advice I would give him.

But I just wanted to make it clear that this has been an extremely difficult winter; we're still with snow on the ground in most of the province. It's now the 8th of April and a lot of feeding to take place yet, and a lot of

producers are a month or so short of feed and I still think that there could have been a meaningful transportation program put in place to support what the Member for Morris has capably asked or expressed, what is the general health of the livestock herd? The health of the livestock herd, I'm sure, is a lot better than the financial health of those people who have tried to maintain it, I can tell you that.

**MR. URUSKI:** Mr. Chairman, I want to say to the honourable member that this winter, in terms of the number of complaints and the number of problems that the department has encountered in terms of treatment of animals, has been substantially almost one-half of any other winter. Normally the department receives about 30 complaints a year and investigates with respect to treatment. This year, and usually in those numbers of complaints I am advised about half of the complaints that are received, in terms of investigations, half of them are with problems that have to be dealt with and half are usually complaints with not much basis or foundation as to those complaints. This year, I have to say that the producers of Manitoba — I have to give them a lot of credit that it shows we do have on the whole a very good farming community. The producers have shown and are demonstrating that they are handling their livestock well overall and the number of complaints and the number of problems have dropped.

Specifically, Mr. Chairman, to the comments with respect to hay, I understand that the extreme southwest corner of the province was dry and that in that immediate area there may have been some pockets and shortages of hay. Of all the people that we received phone calls, to myself, I've taken calls at home and in the office and through offices — (Interjection) — Mr. Chairman, I didn't receive a call from the honourable member — that we did visit every producer and try to assist. I have to say that the hay supplies within the province were adequate up until, I would say in some areas, a month or so ago that there was a lot of hay within the province. But with the Saskatchewan situation, with the additional amount of animals — (Interjection) — Mr. Chairman, with respect to the comments that there wasn't enough hay in that corner, that is correct. We tried to and we did assist producers in obtaining the necessary supplies of hay and it was primarily that corner of the province.

With respect to the hay supplies, Mr. Chairman, I have to tell him that I did have communications with the Saskatchewan Minister and his department to indicate to them that we were concerned with respect to the hay moving out and that if they wished us to assist them in terms of setting up areas where there was an over abundance of hay that we would try and accommodate them, but as a result by the middle of March I believe they discontinued their transportation policy and that ended that. But in terms of hay supplies, there are adequate supplies of hay for all our producers in the province, Mr. Chairman.

**MR. CHAIRMAN:** The Honourable Member for Niakwa.

**MR. ABE KOVNATS (Niakwa):** Thank you, Mr.

Chairman. First of all, I would just like to make a comment as to the new Clerk of the Legislature. It's a big improvement over the one with the no hair sitting over on the other side. I don't think he heard the comment but it's okay. — (Interjection) — That's good. I have just a few questions to ask the Honourable Minister. The technical and supportive services of this department concerning tree farming. Now tree farming, I know, doesn't come under this branch, and I'm just asking because I've got another question to ask him but where would that part come under? — (Interjection) — A little later.

**MR. URUSKI:** ... the honourable member would have placed this question in the Estimates of the Honourable Minister of Natural Resources, Mr. Chairman.

**MR. KOVNATS:** Actually I am being quite serious about this and I'll tell you why, because I am slightly involved with tree farming at this point and I'm looking as to the marketing of it. We receive our trees from a provincial source in Hadashville and at this point I'm looking for some railroad right-of-way that's been abandoned for planting trees, and trees are coming very shortly. So time is of the essence and I would ask the Honourable Minister if he would be in a position to answer some question on it in a short time.

**MR. URUSKI:** Mr. Chairman, with respect to trees, he should be aware that there is a PFRA Tree Nursery in Indian Head that also supplies trees for the farming community over and above the trees that our Natural Resources Department supplies in terms of the pines on a provincial basis. — (Interjection) — Well, he's concerned about the land, Mr. Chairman. Questions were raised to the Minister of Transportation. I want to have some of our staff who were involved in it and I think they're meeting with the Minister so that he could be briefed and resolve some of the issues that he said that he wants to look at. I will try and move him along in that regard.

**MR. KOVNATS:** Thank you, Mr. Chairman. Just as a remark concerning the PFRA establishment at Indian Head, I think that I had ordered from Indian Head a matter of about 2,000 trees this year. I received notice that I would be receiving 300 Colorado Spruce. All the rest are out of stock, so it's not that good a facility for supplying the Province of Manitoba with trees other than normal type of trees. But I wanted to find out because I am getting into the business of raising these trees and if I would be allowed to speak to the Honourable Minister under the Marketing Branch. You know, when it comes under Agricultural Marketing and Development Division because it is a matter of marketing these trees. — (Interjection) — Well, it might be a personal interest but there are people like myself, many people like myself, who are making plans on this railroad abandoned property to use that for growing some of these trees. Would the Honourable Minister advise whether that would be the department to discuss this under? This is just preliminary, if it's not so, I'll go to the topic that I wanted to talk on.

**MR. URUSKI:** Mr. Chairman, the honourable member should watch what he signs when he makes applica-

tion for those trees because he does, I believe, at least acknowledges that those trees are for shelter-belt planting only and they are not there for harvesting, that those trees are supplied only on the condition that they be planted for shelter belts, for the improvement, for the beautification of our province and for conservation purposes, but not for marketing, Mr. Chairman. I hope the honourable member is aware of that and he should be. The way the trees are supplied, of course, are on a first-come, first-serve basis and that's probably the reason why his order of 2,000 was cut back to 300. He may have been a little late in the season because I believe, if I know their system, that by July of this year you have to make application for next year's trees and the quicker that you get the order in — I think the trees are brought into Manitoba in the early spring just around when the frost is leaving the ground. At the same time, you have to make application for your next year's supply.

**MR. KOVNATS:** Just to correct the Honourable Minister, the Honourable Minister is absolutely right, that when you order these trees you sign an affidavit that you will be using them as shelter trees. But from Hadashville — and I'm not sure which is which — Hadashville is one way and Indian Head is the other. So, one is for shelter — (Interjection) — not only in direction, all right. Well the Honourable Minister isn't going to answer any questions on these trees anyway.

But the purpose of my getting up to the Honourable Minister is, that under Animal Industry Branch — and it could come under Canada-Manitoba Northlands Agreement but there's no monies allocated there — I wanted to bring to the Honourable Minister's attention that we have heard many people getting up in the Legislature complaining about the plight of the Native people in the Province of Manitoba being unemployed, being on unemployment insurance and receiving monies and not being able to get out and fulfill a useful life by going out and working.

Now, I was just wondering whether the Honourable Minister through his department had ever considered mink ranching — and it doesn't come under Natural Resources — I am positive that it would come under this type of a resource. But mink ranching in Northern Manitoba — because the Native problem that we have concerning them being unemployed, this is their background hunting and fishing and trapping — could we not set up some sort of an industry for these people in the North in mink ranching and other types of fur bearing animals because the source of the food for these animals could be derived from fish, we have all of these freshwater fisheries. They have all these fish. They've got such a surplus of these fish and they put them into these cold storage places; they freeze them; they keep them for so many years; they go out and they chuck them after a couple of years; they're freezer burnt and there no use for human consumption; they sell them for cat or dog food and they almost give it away at 5 or 10 cents a pound just to get rid of it rather than throw it away. Could we not utilize this stuff for supplying it to a potential industry in Northern Manitoba?

We all feel for the Natives in Northern Manitoba. Could we not develop such an industry out there to supply them with food for the animals and some

expertise because I think this is the department, Technical and Supportive Services, to starting a great new industry in Northern Manitoba that could be the salvation of the Natives in the Northern part of Manitoba and start an industry that could be second to none anywhere in the world.

**MR. URUSKI:** Mr. Chairman, I can say to the honourable member that our department is involved very closely with the Indian Agricultural Program which is a program financed by the Federal Government to supply and make funds available to Native people who are engaged and want to engage in farming, whether it be mink ranching, whether it be cattle, grain or any agricultural commodities. Our staff have been involved very closely with them to see whether an expansion of that program can be developed.

I understand, Mr. Chairman, that Manitoba may be one of the first provinces whereby that program will be handled totally by a Native corporation. Because as I understand it now, applications up to or over \$50,000 have to go to Ottawa for approval for funds in order to make loan capital available.

I am given to understand that over the last two years or so there have been negotiations and our staff have been involved with them, that soon those kinds of decisions will be made in Manitoba dealing with applications and the Native people will be running their own program dealing with loans and funds to establish possibly along industries in terms of mink ranching or ranching of fur bearing animals as he suggests, but that would be an individual enterprise that would have to be developed by the Native people themselves and they would have to want to be able to run it.

We, for too long, have always known what is right for other people. I believe that it's time that they do their own thing; they make their own decision; make their own mistakes but also benefit in the learning process by doing economic development in their own way.

**MR. CHAIRMAN:** I would remind the honourable members that we're on Item 4.(b)(1).

The Honourable Member for Niakwa.

**MR. KOVNATS:** To the Honourable Chairman, I don't know why I have to be reminded. I think I am talking about Animal Industry Branch. I would hope that's just as a reminder to the others because I have been speaking on it.

I only really wanted to ask the Honourable Minister specifically because I've had some basic background on mink ranching and — (Interjection) — well, I was thinking about it except that I don't have access to these frozen fish things in these frozen food plants and I really don't have access. But we do have a member and I have been up to Red Sucker Lake and I think it would be an industry that could be the salvation of some of those locations.

I don't want to be blamed for years and years to come about what we didn't do. Here we are coming up with ideas and I would hope that the Honourable Minister would pick up the ball and run for a touchdown, score, score a lot of points by encouraging the Natives in the Northern part of Manitoba to be inde-

pendent and at least get into an industry that they have some background on. It was just a suggestion. It came to mind when I was looking across at the Honourable Minister and I saw some of the people here who were trying to help the Native people. We're all in the same boat.

With those remarks, thank you very much.

**MR. CHAIRMAN:** The Honourable Member for Roblin-Russell.

**MR. MCKENZIE:** I've had some complaints the last while about the farmers that send their feed supplies in for testing and there's a long delay that they experience before they get their returns back. I wonder if the turnaround time seems to be too long as far as the farmer is concerned. I wonder, can the Minister take a look at it?

**MR. USKIW:** Mr. Chairman, we did have a particular problem in 1980 because of the numbers of samples that were being sent in for testing. The turnaround time has improved and there have been I think some additions of staff; there's additional staff being proposed in this area in the feed lot.

**MR. CHAIRMAN:** Item 4.(b)(1)—pass; 4.(b)(2)—pass; Item 4.(c)—pass.

The Honourable Member for Emerson.

**MR. DRIEDGER:** Thank you, Mr. Chairman. I have a few questions here. I raised a question with the Minister of Environment during his Estimates regarding the removal of dead animals and he referred me then to the Minister of Agriculture who had set up a committee apparently and was studying this. I was wondering if at this stage of the game the Minister could indicate whether these people are still in operation or whether there has been any progress made or whether this service has been terminated and what his position is at this time?

**MR. USKIW:** Mr. Chairman, the Honourable Member for Arthur wanted a committee to work and there is a committee working from our department, Economic Development and Environment, on this very issue.

There have been meetings and proposals. There are some suggestions and direction being formulated for our consideration. I have yet not received the specific suggestions and considerations from the departments. They will be coming forward very soon.

As I understand it, there are between four to six people who now pick up farm dead animals and deliver to plants. They do so at the present time for the value of the animal. As I understand, the value of those animals has dropped and that's the problem because of the cost involved with transportation.

I should mention that under the law the responsibility of disposal of animals is up to the farmer and he has several methods of disposing of these animals and, of course, one of the methods, even in winter-time, is very difficult, he has to bury them or I believe burn the carcass, and burying them the depth has to be somewhere around three feet under the soil and/or deliver to a plant, to a fur farmer, to a mink rancher, rendering plant or pet foods industry. I don't think

there's been a problem with respect to small operators, the problem has been where there are fairly large animal operations in terms of the numbers of animals that they carry. Normally farmers who have herds of 100 to 150 do not have great problems with disposal; they do have dead animals and they do have losses, but the problem escalates in the few operations that are fairly large in terms of having several hundred or more animals in their rangeland. But we are looking at it and there are proposals being formulated and when those proposals come forward we will be dealing with them.

**MR. DRIEDGER:** Mr. Chairman, to the Minister then. I would just like to caution him, he indicated that there is a responsibility on behalf of the farmer or the individual if an animal dies. The problem that comes out of it, first of all, the farmer incurs the financial loss of having an animal or animals die on him and then to take and indicate or put the pressure on him that he necessarily has to take, either in winter or summer. Maybe he doesn't have the equipment to bury the animals according to . . . There's going to be problems if this kind of position is taken, forcing a farmer to take and clean up his dead animal. It's a double cost already to him and invariably the Minister and his people will be running all over the country trying to find out who has done what, there'll be dumping going on. So the program that we have in place right now I think is much more suitable to looking after the problem.

The question that I want to know and I asked before is are these people, at the present time, like they sort of had a deadline set by the end of March if things did not progress for them to some degree that they would probably quit rendering this service. I wonder if the Minister has had any contact, are they still in operation and, if not, has there been any personal contact with these operators to find out what their position is, whether they will continue to provide this kind of service?

**MR. URUSKI:** Mr. Chairman, there has been ongoing and continued contact between staff and the operators. I'm advised that no one has, at this point in time that I'm aware of, has closed or stopped rendering the service, but there is ongoing discussions with the people that are operating; yes, direct contact.

**MR. DRIEDGER:** Conclude that area then. If the Minister wants a policy that has been formulated I suppose that the members of the House, as well as the vet clinics and the general agricultural people, will be able to be informed of what the policy is going to be.

Leaving that now, I'd like to just maybe draw to the Minister's attention something that is possibly partly Federal, but I think that possibly the veterinary people provincially also have some input into this, and that is the transfer of dairy animals from across the border to the states either coming this way or the other way. I realize it's under a Federal regulation to some degree, but also I believe there is room for input on the provincial level. I know that the regulations have been stiffened from some time ago, there's been a change since a few years ago because I was one of those that brought in dairy animals for milk production across

this way. At that time they had to be in quarantine for a while; they have to be checked, etc. through various vets, but since that time the regulations I understand are much more stringent. I wonder if, under this department here, whether there's any position that the Minister could indicate that he would take. I, personally, would like to promote the idea, knowing full well the implications of bringing in disease to both countries, but that there be a relaxing and reviewing of this because a quarantine with dairy animals, especially in production, creates a lot of problems if you're going to take and tie them . . .

**MR. CHAIRMAN:** The time is now 12:30 p.m. Committee rise. Call in the Speaker.

The Chairman reported upon the Committees deliberations to Mr. Speaker and asked leave to sit again.

### IN SESSION

**MR. SPEAKER:** The Honourable Member for Dauphin.

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

**MOTION presented and carried.**

**MR. SPEAKER:** The Acting Government House Leader.

**MR. DESJARDINS:** Mr. Speaker, I understand that there's agreement from both sides of the House that we waive the Private Members' Hour and, therefore, I would move, seconded by the Member for Turtle Mountain that the House be now adjourned.

**MOTION presented and carried** and the House adjourned and stands adjourned until 2:00 p.m. on Monday afternoon