

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, 23 April, 1985.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - NATURAL RESOURCES

MR. CHAIRMAN, C. Santos: Committee, please come to order.

We are now considering Item No. 8.(a)(1) Fisheries, Administration: Salaries, 8.(a)(2) Other Expenditures - the Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman. The area that I would like to start off pursuing is the area of the Freshwater Fish Marketing Board, realizing full well that this is a federal organization. I would like to maybe have the Minister indicate what the provincial responsibility is in this organization, and what role we are playing in that in terms of fishing regulations, etc.

MR. CHAIRMAN: Mr. Minister.

HON. S. USKIW: Mr. Chairman, the role of the department has not changed. The Freshwater Fish Marketing Corporation has been there for a decade, I would imagine, or more. Our role, of course, is to have a representative on the board of directors in the name of Dr. Ray England. The corporation operates autonomous from government, either federal or provincial, other than they are appointed by a national body.

MR. A. DRIEDGER: But what happens regarding our fish resource, obviously we have a major say in that aspect of it in terms of the quota system and some of the things that happen there. I wonder if the Minister could maybe outline a bit more specifically exactly the system before we get into some of the details in terms of what is our role or the government's role in terms of establishing the quota system.

HON. S. USKIW: Mr. Chairman, the corporation has nothing to do with the quota system. The quotas are independent of the operations of the corporation.

MR. A. DRIEDGER: So the provinces establish the quota system and based on the resource that we have, and the sale of the product or the resource goes to the Freshwater Fish Marketing Board. Does the Freshwater Fish Marketing Board have any influence in terms of what happens, the types of quotas that go out, the amounts of quotas? Or do they have any role in that at all?

HON. S. USKIW: Mr. Chairman, they do have some influence, I have to say, at least to some degree, because they do present their viewpoint to the government as any other interest group would with respect to the fishery. But that is the extent of their interest or involvement.

MR. A. DRIEDGER: Would there not be a closer liaison and working arrangement than just that kind of, what the Minister is suggesting? Because, for example, it is my understanding - maybe the Minister can correct me - that the board itself - for abbreviation, I'll refer to them as to the board for a while - if they do not have the market for certain fish, then of course there is a reflection on what happens in terms of the quota system, I would understand. Because if they cannot market more than a certain amount of fish, or certain types of fish, then of course that plays a role into what the commercial fishermen are doing, or am I wrong on that?

HON. S. USKIW: I'm advised that the catch is influenced by the pricing mechanism more than by any other means. So it's market analysis that plays a vital role as to how we establish the quotas.

MR. A. DRIEDGER: The Minister is very cautious and brief in his answers on most of these things. I would like to have him elaborate a bit more because I think what's happening at the present time in the commercial fishing industry is that there are problems there.

I think it's time that maybe a general review takes place, that we look at enhancing the potential of our commercial fish industry because in talking to the fishermen - and they are very much like the farm group - they all have their own views to some degree and it's pretty hard to get synchronized in it.

But there seems to be a general concern about the way the board is operating in terms of the marketing aspect of it, and I'm sure that we as a province, where the industry is located, should have a pretty substantial influence as to the direction in which we go with this thing because provinces like Saskatchewan and Alberta, I think, only market a small percentage of the fish that are being caught in their provinces through the board, and then of course Northern Ontario has decided to opt out of it and seem to be functioning very efficiently outside of the board. There is some concern that maybe we have built ourselves a bureaucracy in the board itself and the way they function, and as a result there seems to be gradual dissatisfaction developing among the commercial fishermen in terms of the way things are run.

I'd like to refer the Minister to the fact that the commercial fishermen themselves feel that our marketing aspect of the board leaves a lot to be desired, that there could be more aggressive pursuance of marketing some of our raw fish, aside from the main line fish - the pickerel and the jack - that we've lost apparently some of the markets and have trouble getting them back, from the time the board was established and individual operators were virtually cut out of the action.

We are losing the potential for marketing of some of the lesser quality fish maybe, where there are literally millions of pounds that are being left on the lakes because there is no market for this; where at one time

Tuesday, 23 April, 1985

apparently there was a market potential, and realizing full well that we have a limited jurisdiction maybe in there, but the impact that it has on the province and to the commercial fishermen I believe that maybe it's time that we shake up the system a little bit and see whether there are ways to improve it. I wonder if the Minister could maybe indicate, other than just one sentence, how he feels about this situation. He is the Minister that is responsible in this regard and I'd like to see a bit more lengthy discussion taking place with the Minister on this aspect.

HON. S. USKIW: Well, Mr. Chairman, we are very much concerned about the growth of our fishery resource, the future opportunities that should be in place. We do not directly influence the operations of that agency, however. They're an agency that has to have jurisdiction over several areas of Canada, which we are just one. But from my understanding of it, the Manitoba fishermen essentially support, in principle, the operations of that corporation, by a vast majority. There are specific complaints, but not to the point where you would bring into question the existence of that corporation. There will always be complaints, the day that we don't have any, then perhaps we won't even be around as well. As long as there are people, there will be problems and, as long there are problems, hopefully, there will be people to deal with them. But, in any event, we have contributed \$40,000 towards market research development. When I say we, I mean the department, to the corporation. So that there is that kind of relationship between the department and the corporation.

MR. A. DRIEDGER: Well, the Minister gives the inference that I indicated the existence of the Board. That is not what I said. What I said is that I felt that there were problems and that we should possibly look at the possibility of enhancing the market possibilities and maybe, at this time, just review some of the things that are taking place, especially in terms of marketing some of the, what we call raw fish or the rough fish, because certainly, there's a market there. Our commercial fishermen are netting this fish and invariably, because there is no market or value on them, they literally leave them on the lakes. I believe, initially, that there was, and that there still is, market potential for these fish and it is my understanding that in the Great Lakes they're exploiting this, or utilizing the market to the maximum in that respect, and we seem to be overlooking that. What I'm suggesting to the Minister is whether there's a possibility of just looking into the aspect of some of these things, aside from throwing \$40,000 at marketing studies, stuff of that nature.

I realize the system itself - and I wasn't criticizing the existence of it, as the Minister put it - I just feel that there is room for some review and some further enhancement or development in terms of the marketing possibility for some of our rough fish, and I just wonder whether the Minister feels the same way in that respect or whether he's happy the way things are going. If he says that the majority of fishermen are supportive of the Fish Board I don't argue that. Is the Minister happy that things are going very well and that we should just

leave things alone, or is he prepared to take the suggestion and maybe look at the possibility of enhancement of that aspect of it?

HON. S. USKIW: Well, Mr. Chairman, the member raises an issue that has been raised many many times, in fact, every year that's an issue, the question of how to market more fish and, in particular, how to market coarse fish.

I have had a discussion with the Corporation about two months ago on that very subject, but that doesn't mean that around the corner is a solution because the rough fish market is not an easy one to penetrate. We are competing with sea fish when we get into that field. It's very difficult to be competitive.

The larger question that preoccupies the producers, quite frankly, from what I've experienced in recent times has to do with the need on the part of many producers for more production rights, that is, the preoccupying concern is how to get more quota. How do the people with less than three-season quota get into the three-season quota area? That is a policy area that we're still grappling with, and we'll likely be deciding upon sometime in the course of this year, before the end of the year.

But, apart from that, I have not had representations from the fishermen with respect to those other issues the member raises in any major way, although they are issues that are valid.

MR. A. DRIEDGER: I'm certainly not suggesting to the Minister that they are easy solutions, it is a complex type of situation. What I'm trying to establish, as we did with the aspect of the wild rice solution, whether there is a genuine desire on behalf of this Minister to try and look into some of these things, and start moving in a direction that will probably enhance the commercial fishing aspect of it.

I, personally, with my limited knowledge of it, feel that we are not utilizing the potential to the maximum that we could and certainly that reflects on the welfare of the commercial fisherman. I believe we should never sit back and be complacent, say well things have been that way for 15 years and just sit back and say, it's okay. I think we have to continually look at how can we improve our situation. If there's a limitation on the harvest of the resource available, you know, these are things that we have to look at, but I don't know whether that is the question.

I think the fact that we have a lot of rough fish available to us - I want to come back to that a little bit - there were markets at one time on that. Without pointing a finger necessarily at the board itself, I believe we have lost some of the potential markets for these kinds of fish to the detriment of our commercial fishermen. All I am trying to establish with this Minister, if he has a genuine desire to look.

He's indicated he's met with the Freshwater Board management in the last two months, but I would encourage him to pursue that aspect of it because even though, generally, the commercial fishermen feel that the system through the board is not a bad system, I believe there are always ways of improving on that to expand on the market potential that we have. I would like to encourage the Minister to pursue that aspect of it quite actively.

Tuesday, 23 April, 1985

I think there is also development potential. I know at the time when we were in government there was the ongoing negotiations with a Japanese firm, for example, in terms of maybe setting up and doing the processing of the rough fish, and I think there is potential there that if it is pursued actively, tongue in cheek, the criticism that it would maybe lay at the feet of the board is that they have their empire built and they don't like anybody to rock the boat. I would just ask the Minister whether he would stick his nose in there once in a while and just see whether he is satisfied that things are moving along as best as they can.

HON. S. USKIW: Mr. Chairman, the member is promoting motherhood scenarios and I guess it's hard to argue against them. Improvement of the fishery is everyone's desire in whatever form that may be.

The Fresh Water Fish Marketing Corporation has been there for some period of years now, and unlike the beginnings of its operations I think their operations today are based on a lot of experience, and we have to appreciate that for whatever it's worth as being, to some degree, a major influence as to where that corporation is going to be moving into the future.

We as a department, of course, have to be concerned with respect to how we interface with the fishermen on the one hand and the marketing board on the other hand in trying to pull things together for the benefit of the industry as a whole. I'm not sure the member is looking for a specific answer other than, yes, there is a concern out there. We have to keep working at it and we are doing that.

MR. A. DRIEDGER: I'd like to make some specific reference then to the trial project that was launched on the South Basin of Lake Manitoba where for a short period of time licences were issued to allow three-inch mesh to be used for the specific purpose of catching the perch, for example, and in talking to some of the fishermen - and there are two points of view on this between the North Basin and the South Basin - but myself not having that kind of expertise, the fishermen tell me that the amount of perch that we have in the South Basin is one of the reasons why there has been a decline of the pickerel population. Now there could be all kinds of views on that.

I'm just repeating what I have been told by people who have been in the business for a long time, and I wonder if the Minister could indicate the trial project that was undertaken, whether that was a successful project and whether there is possibly the potential for continuing that kind of program, because it is my understanding that in that short period of time well over a million pounds of perch were caught and it enhanced the income of the commercial fishermen in the South Basin, who sometimes have had difficulty filling up their quotas on the pickerel aspect of it. Obviously, our professionals have a better idea as to the impact of the perch population on the pickerel population, and whether this is a program that will be pursued. Because, for example, in Lake Manitoba I believe they have been using the three-inch mesh for many many years, whereas in Lake Manitoba we are looking at just having allowed that on a trial basis now.

Now, based on the information that has come out of this trial basis, and I understand there was very close checking on this project itself for the short period of time, can the Minister maybe indicate whether the trial project was a success, and whether there's an intent to continue that program?

HON. S. USKIW: Mr. Chairman, I think the officials view it as a success. How do you measure success? We've had a mixed blessing there. We have a tonnage of fish brought in that otherwise would not have been brought in which resulted in additional income to those fishermen.

On the other hand, the association has expressed some concern about how to police the use of nets. Once we have three-inch mesh nets back in use will they be used out of season, so to speak, that is in the regular fishery where they should not be used? Enforcement then is the key question, so that we don't encourage, in other words, through the special fishing season that we had allocated this year, or may allocate in the future, the use of small-size nets for the main season; that is what we must grapple with.

Apart from that concern, in economic terms, it was a success story, yes, because there was a fishing period of very short duration which resulted in a fairly substantial amount of revenue for that area.

MR. A. DRIEDGER: The Minister raises a concern about the enforcement aspect of it once you allow three-inch nets to be used at certain periods of time. The fact that it has already been allowed has already created a problem, so that obviously is there. The fishermen scrambled around and got whatever three-inch nets they could, and utilized it during the trial period, so those nets are there now. So we can't say well now we won't allow them to use them; we can't police it properly because they already have the nets.

So, I think, it is my belief that most fishermen are conscientious about the fact about not destroying their own source of income. There are always going to be the individual cases where we have that but, by and large, I think there is a genuine desire to comply within the regulations.

The other thing that the fishermen have indicated to me is the fact that they felt the timing of this trial project probably was maybe the wrong time. If we were going to pursue this kind of a project for the future, their suggestion is to make it in the early part of the new year which they tell me, and I don't know, that the pickerel, by and large, are relatively dormant at that stage of the game and they could not create any problem with the pickerel population and get a reasonably good harvest out of the perch population.

What I am asking is whether the Minister can elaborate on that a little bit and whether it is his intention, based on the results that we have had to date on this year's trial period, whether that would be the intention to pursue the same project again next year and maybe change the time.

HON. S. USKIW: Well, Mr. Chairman, this was somewhat of an experiment this year and an experiment which worked. We did not interfere with the pickerel population per se.

However, if we are going to continue with it, and the likelihood is that we may, we will be moving that season up forward to January and February next year. That would be my best guess, that we will continue and that it will be moved up, based on the experience that we've had.

MR. A. DRIEDGER: There seems to be a difference of opinion between the commercial fishermen from the North Basin versus the South Basin. The fishermen in the North Basin, my understanding is basically their harvest is the pickerel end of it, and the pickerel apparently are not that predominant in the South Basin except at certain times maybe when they happen to move into that area. There seems to be almost a split between the association on Lake Manitoba in that respect and I'm sure the Minister must have had probably presentations from both sides of the story.

Does he feel that this program can be continued and an agreement sort of worked out between the two groups on Lake Manitoba?

HON. S. USKIW: Mr. Chairman, the program can be continued but with very much increased enforcement. I don't think we could continue this program without getting into the problem of indiscriminate use of small nets unless we had notification of enforcement and then real enforcement that was quite visible. I think the two of them have to go together.

MR. A. DRIEDGER: Is the Minister suggesting that under this trial project that there was misuse of the three-inch nets under the basis that it was operated with this last year?

HON. S. USKIW: I'm sorry, would the member repeat that, please?

MR. A. DRIEDGER: Is the Minister indicating that there was misuse of the system with the three-inch nets under this trial period?

HON. S. USKIW: Well, I don't know whether there was or wasn't. At least, it doesn't appear to have been a major concern this year, but it is a concern for the long term, as expressed by the association, that unless there is ample enforcement we will have no control of it whatever, is the opinion. So we have to be very cautious about how we do permit the use of small nets.

MR. A. DRIEDGER: Well, I've been told that during the month of January, for example, that the pickerel population is relatively dormant - and that is just heresy for myself, I have nothing to back that up - but to allay the fears of the commercial fishermen from the North Basin, why would they not be allowed to maybe use the same three-inch nets if they want to fish during that period of time?

I don't know whether they have that desire or not but they seem to feel there is a discrimination by allowing the South Basin to use three-inch nets - this is what I am told - I don't know. Certainly the people from the North Basin are not — (Interjection) — well, the Member for Ste. Rose says baby pickerel, but it is my understanding that at certain times of the year

there is not much movement by the pickerel, that they are relatively dormant.

Now many I am wrong on that but we are working obviously on an experimental type of thing, a trial basis, and it worked well for the South Basin and I would hope there could be a continuation of that kind of a thing just because it's been done once now - the Minister is already indicating that if it was proceeded with that they would move the date back to maybe January somewhere along the line - all I am trying to do is find out whether there is some happy medium that we can work out with the fishermen on Lake Manitoba generally because now we have, I believe, almost a divided group where some oppose the use of that type of system and the others promote it.

HON. S. USKIW: Mr. Chairman, it's a matter of logistics too. We have to try to determine where the perch are and it may be that we may have to zone the lake based on knowledge as to where the perch are to be found rather than just leaving it open. But the likelihood is that we will be allowing continued use of three-inch mesh for the purpose of the perch fishery, if you like, with a great deal of surveillance and enforcement so that those nets aren't used for the regular fish. A severe penalty is really what it comes down to.

MR. A. DRIEDGER: I would like to then pursue the area of expanded commercial fishing in the northern part of the province, namely, in the area of Norway House, Gods Lake area is there. There are various lakes where the Native people have indicated that they've had the quota system but they have not been utilizing it but there are various reasons for that kind of thing.

I would like to ask the Minister whether he has any opinion on whether that can be expanded in some of those lakes that have not actually been commercially fished now for some time.

HON. S. USKIW: Well, Mr. Chairman, many of those areas are designated for sports fishery activities rather than commercial fishery activities. So really it's a matter of determining whether or not they are better lent for that particular purpose or whether they're better to consider the commercial fishery as a better option. I suppose one would have to do some analysis to make that determination, but there are allocations for sport fishing that you would then have to interfere with if you wanted to convert them to commercial fisheries.

MR. A. DRIEDGER: Are there any plans or inclination to enhance the possibility of some commercial fishing in some of these areas where unemployment is a major problem? I would like to refer specifically, for example, to the people around Norway House who feel that they could probably operate a fish plant out there in the northern section, and I am just wondering whether the Minister has any inclination to look at that kind of possibility about expanding it in the extreme northern portion there.

HON. S. USKIW: Well, again, I simply want to make the point that the sport fishery is indeed an important part of our northern economy, in that sport fishing is managed, directed and supported by the private lodge

operators and through their operations the Native guides are employed. There is a whole industry out there involved in sport fishing which provides for employment for a number of people.

The distance factor is also a consideration with respect to how far you can go up north and commercialize a fishery, if you like. As the member knows, we have a major item of expenditure in this department with respect to frayed subsidies on existing commercial fishing areas. So, to the extent that one expands on that, one would have to expand on subsidization as well.

MR. A. DRIEDGER: I'm pleased to hear that the Minister is referring to sport fishing as being a major industry. I suppose that is the reason why he has jacked up the rates as dramatically as he has, and I want to pursue that aspect of it a little bit because, if he is trying to encourage sport fishing and he feels that this is a cow that can be milked by virtually doubling the rates for sport fishermen, I wonder whether his heart is in one place and his mind is saying something else, because certainly, if he is trying to encourage sport fishing, that is a bit of a dramatic approach to it.

Then, I'd like to ask him the rationale for the increase in the rates and whether the funds that are going to be raised by the dramatic increase in the fishing licence, whether those monies will be expended in terms of stocking lakes, or whether that is going to be channelled into some other government coffer to advertise their image again?

HON. S. USKIW: Mr. Chairman, I don't think I'm going to get excited about the level of fees because the Government of Manitoba is a very hungry beast.

MR. A. DRIEDGER: Yes, we've noticed that.

HON. S. USKIW: It's hungry because members like the Member for Emerson keep demanding that we spend money additionally on certain programs, and if it isn't the Member for Emerson, it'll be the Member for Wolseley, but the priorities may be different. The public, of course, has to extract from the Manitoba economy as much as it can to support those needs, those services, that are being provided.

With respect to how the books balance, even though we have increased licence fees, we don't make any money on the fees. Our administration of sport fisheries in Manitoba eat up all of the revenues that are brought in from licensing, or through the licensing system, so there is no money to be made there, but at least we don't have to lose as much.

MR. A. DRIEDGER: The Minister is being cute if he's trying to lay the increase of the fishing licences at our feet because we're asking them to spend money for certain projects. I can also suggest to him many other projects in areas where you can act as a responsible government without trying to take and play cute and put it back in our shoes. You have to accept the responsibility of having raised the fees for whatever justification. What I'm asking is whether there is going to be an expanded program for stocking because of the increase, or whether we're just going to try and

milk more out of this sport fishing aspect of it and let them fend for themselves, or is there an expanded program for stocking taking place?

HON. S. USKIW: Mr. Chairman, as long as I have been in government we've had increases in fees, one year to another, every so often, and I would project that will continue to be the case unless we have massive deflation in the economy. So, I don't want to spend a lot of time on that one, excepting that there may be room for yet additional fees, because there is a lot of pressure being put on the department, on the government, for either protection of habitat, or habitat development, and it has been suggested to us by the sports fishermen, their associations, that maybe we ought to look at topping up the licensing with special designated levies, if you like, to enhance the sport fishery. There seems to be a fair amount of support for that. We are looking at that proposition and perhaps maybe making some proposals in that direction in the not too distant future. So there is a feeling out there that if we are putting the money in the fishery that the fishermen are not opposed to paying the licence fees. They just want to know that the government is addressing the needs of the fishery, and I think that is fair comment.

MR. A. DRIEDGER: That brings back the point that I was trying to make. If there is increase, as there has been in the licence fees, if there is an effort made to try and provide maybe a better type of service; but I am not necessarily convinced in my mind that this is the direction that this government is going because we see, under the Parks aspect of it, where they are trying to, because of economic reasons, cut back because they see it isn't economical. If there is going to be a genuine desire to try and provide an expanded opportunity, let's say, for the sport fishing industry, that there will not be a major objection to the increase providing that they see there is a definite effort made in terms of stocking and providing services. But, what appears, and we haven't established that in this department, but certainly in the Parks there has been a desire to try and cut down costs and maybe provide less service. The two sort of go hand in hand, and when we have expanded licence fees, the expectation of the sport fishermen is going to be that there should be an effort made to try and provide a better resource through this thing. That is all I am trying to indicate to the Minister.

I fully appreciate the fact that these things are tight economically, but if the expectation of the public is going to be that if we increase the rates, that we should also promote, maybe instead of promoting the image of the government all the time, indicate to the sport fishermen and the sportsmen what the direction is going to be that this government is taking in terms of trying to provide a better service for the future. Then I'm sure there would be no objection to having some of these, you know, the licence fees increased, but if they're just going to be increased and there is no effort made in any direction toward improving this situation, then there is going to be a negative reaction to that.

HON. S. USKIW: Mr. Chairman, the member should be reminded of the commitment made a year ago for

additional provincial support to the fishery by way of \$250,000 that was put in for the enhancement of fish and wildlife, half of which is dedicated to the fishery, and that commitment is again made in this year's Estimates, so that's a fairly substantial increase in financial support. The plan is to increase that up to about half a million dollars by 1986.

MR. CHAIRMAN: The Member for Portage.

MR. L. HYDE: Thank you, Mr. Chairman. The Minister seems to think that the Manitoba Fish Marketing Board just can do no wrong. You've indicated that, Sir, I believe, throughout your discussion here tonight. However, I would suggest, Mr. Minister, that nothing is so perfect that it can't be improved on.

Fishing in Lake Manitoba for quite a number of years has not been at all good, as you are probably aware of, I hope, Mr. Minister, and from what I understand the move that your department made in the past winter for a short period of time was a move in the right direction to allow the fishermen on the south end of Lake Manitoba to attempt to clean up the south end of Lake Manitoba. I say clean up, because the perch seemingly has taken over to a great extent. From what I understand, on Lake Winnipeg where they have had that privilege for some time - I don't know just how long, I don't know that - but, however, apparently they have had that privilege for some time to fish with the three-inch mesh. It is proven on Lake Winnipeg that it can work and will clean up the mess that the perch seemingly make.

However, Mr. Chairman, I would hope that the Minister would take heed to what has been suggested to him by our chief critic, the Member for Emerson, tonight, and would give every consideration to continuing to improve the lot for the fishermen on the south end of Lake Manitoba.

I have before me, Mr. Chairman, a heading in an article which reads: "Fish experiment hailed a success." Now I'm referring to the article a year ago where some 500,000 pickerel fries - I guess they call it - fingerlings were released into Lake Manitoba from the Portage Diversion. They were raised in the Portage Diversion, and eventually flushed out into Lake Manitoba. By all reports, it has been a successful endeavour. I'm wondering if the present Minister, Mr. Chairman, is going to continue this here experiment.

HON. S. USKIW: I am advised, Mr. Chairman, that pickerel rearing in the Portage Diversion was not very successful last year, as it was previously, but we intend to continue that operation.

MR. L. HYDE: You say it wasn't all that successful.

HON. S. USKIW: Not last year.

MR. L. HYDE: I see. Well, I'm just reporting from this here article that I have before where it was claimed to be a highly successful endeavour. However, if you feel that it is worthy of continuing, I would certainly hope that you will find the monies that are necessary from your department to continue on.

Can the Minister indicate to me whether the suggestions that the Member for Emerson has made

tonight on the problems at the south end of Lake Manitoba and the north end of Lake Manitoba are having, does he believe that there is a way of correcting the differences there?

HON. S. USKIW: Mr. Chairman, you know, I'm not sure that I have a role to play with respect to problems within the association. That is something for fishermen to sort out, and I wouldn't want to interfere with that process.

There may be different interests on the part of the south end versus the north end, a different viewpoint entirely based on their own logistics, the area that they're in. But I can't speculate on what all their differences are, or how they might be sorted out; that is a matter for the association membership.

MR. L. HYDE: Mr. Chairman, I believe that the fishermen at both ends of the lake are endeavouring to straighten out their problem there. It's just that if the Minister will give them some encouragement and backing, they no doubt will be able to make some corrections to the benefit of both parties. I would hope that this will happen.

HON. S. USKIW: I'm not sure I got that last point. Would the member repeat that last comment?

MR. L. HYDE: Well, I was just saying that with the difference of opinion from the north and south end, I'm sure that with the encouragement from the Minister and the backing of the Minister that the two parties will endeavour to and will be successful in cleaning up their differences. I would trust then that the Minister will give them every support.

HON. S. USKIW: Mr. Chairman, that goes without saying. We are prepared to try and facilitate a co-operative effort on the one lake, whatever it takes to bring that about, but, you know, that's motherhood.

MR. L. HYDE: Okay.

MR. CHAIRMAN: The Member for Rupertsland.

MR. E. HARPER: I was going to ask the Minister some questions, but I believe he has answered some of them, particularly some questions that were posed by the Member for Emerson with respect to the commercial fishing of the inland lakes.

Part of the problem has been that those lakes, they have a quota established for each of these lakes. The problem is the freight and also the transportation costs. This has, I guess, curtailed the fishermen from fulfilling their quota system. I hope the Minister recognizes that very fact.

Usually I think it has been the case within the last few years that the fishermen only fish those fish that are viable such as pickerel and trout. Other than like the whitefish, they don't really make any savings or any profit on whitefish. That's basically one of the problems is how do we, I guess, resolve that problem because when they go out fishing they also catch the whitefish. It also is a great expense to the fishing operation, the wear and tear and the time that it takes to get the fish out of the net, all that takes time.

I was just wondering if there were any plans by the government where anything could be done. You know, there is this resource that might be just going to waste.

HON. S. USKIW: Mr. Chairman, the member might appreciate that the subsidy on transportation has been increased from 10 cents a pound to 16 cents, so that in itself is a major increase. That's a transportation subsidy.

A MEMBER: Freight assists?

HON. S. USKIW: Yes.

MR. E. HARPER: From my understanding, the subsidy only is provided to those certain species. The whitefish, is that being subsidized?

HON. S. USKIW: Yes, the export and the continental markets are subsidized but not the cutters.

MR. E. HARPER: The other question that I have is in terms of the lakes that are being classified. I believe the classification is done by the Federal Government in terms of what class the lakes are and especially in one particular community is God's Lake where the fish is being downgraded, I think, to a lower level from previous seasons. That lake itself is fished during the winter season because in the summertime it's been sport fishing. I was just wondering if there's any change in that.

HON. S. USKIW: Well, Mr. Chairman, that is a Federal Government responsibility. I'm afraid I don't have any comment on that.

MR. E. HARPER: The other thing I have is, I guess there's always constant complaints from my area in terms of the price of fish with the Fish Marketing Corporation. I would like to express the opinions of my constituency. They're not satisfied with the operations of the Fish Marketing Corporation.

HON. S. USKIW: Mr. Chairman, I suspect that many people aren't satisfied with the salaries that they earn. But there is a reality out there and that is the marketplace and the Corporation hopefully is extracting from the marketplace every penny that they can. I really can't comment beyond that. It's not a role that we're responsible for.

MR. E. HARPER: I just want to put it on the record.

HON. S. USKIW: I would suggest that the Member for Rupertsland communicate that message to the Freshwater Fish Marketing Corporation directly. — (Interjection) — Well, the Minister doesn't know whether he's satisfied or dissatisfied with the price.

MR. CHAIRMAN: The Member for Roblin-Russell.

MR. W. MCKENZIE: Mr. Chairman, I have a couple of questions in relation to the Prairies, is it okay on this part?

HON. S. USKIW: Yes.

MR. W. MCKENZIE: The example of last year, the fishing and the tourism that were brought into the area has proved to especially the Roblin-Russell area, what potential tourism dollars there are floating around as a result of the fishing that they gain from the lake and they are certainly in support of ways and means for the restocking of lakes such as that one, Mr. Chairman. They even suggest that we are to maintain or improve the province in tourist fishing, that they wouldn't have any problems even tripling the licensing as long as the dollars were going back into stocking the lakes because of the experience that they enjoyed there last year. There is certainly the need for restocking the Lake of the Prairies immediately and I was just wondering what the branch has in mind for the Lake of the Prairies for this year?

HON. S. USKIW: Mr. Chairman, the plan is to have a very heavy stocking program in that lake this year. So we are addressing that problem.

MR. W. MCKENZIE: One other question that keeps coming up is the levels of the water. Does your department have any say, or is it strictly PFRA that controls the level of it? I should have brought it up yesterday when Mr. Weber was here.

HON. S. USKIW: Mr. Chairman, it is a water resources question. I suspect it's a flood controlled dam there, is it not?

MR. W. MCKENZIE: Yes. Because this year they dropped it down about 15 or 16 feet there in a matter of no time at all. They had the same experience, I think it was '79 and '80, and it caused a lot of problems with the fish.

HON. S. USKIW: Well, I would have to hazard a guess that they were anticipating a flood problem, and drew the water down perhaps more than they should have.

MR. W. MCKENZIE: Well, of course the lake isn't designated as a recreation area. Isn't it for flood control?

HON. S. USKIW: It may be that we might have to keep a closer monitor on it, that is fisheries and water resources.

MR. W. MCKENZIE: But in support of the comments that were raised earlier, others that I have spoken with in the area, I wouldn't be concerned about doubling the licence or even tripling the licence if the Minister saw fit and could assure the fishermen, because the building of these hatcheries is an expensive process and the funds are required.

It certainly has proved, as I mentioned earlier, that the sports fishing will bring the tourists. The statistics that came out as a result of the . . . census from that area there, last year it showed that southwest Manitoba there was 2,098; in Winnipeg there was 1,077; Saskatchewan 2,068; 97 other Canadians; 347 Americans, etc., etc. So it brought a lot of bucks in the area.

Tuesday, 23 April, 1985

HON. S. USKIW: You know I have a very good comment handed to me by my staff here. It says, "Artificial water bodies suffer the vagaries of nature and man's attempts to manage," - very apropos.

MR. CHAIRMAN: The Member for Minnedosa.

MR. D. BLAKE: Thank you, Mr. Chairman. I just have one or two questions. Just to recall on what the Member for Roblin has just said and the Minister's comments that there was a fairly extensive stocking, I believe, planned for the Lake of the Prairies. I realize that he's extremely short of conservation officers and if he could see fit to empower some of the local game and fish association in that area to do some of the policing for him, it may be helpful because some of the reports coming to me that indicate there are literally pailfuls of small six and eight-inch pickerel going out of that lake, fish that should have been thrown back in and they're not legal size and shouldn't be taken, and they're being taken out of there in great numbers which is not conducive to good management of the fish in that area.

The Minister mentioned earlier in response to questions from the Member for Portage la Prairie that raising the pickerel fry in the floodway hadn't been successful. How about the Winnipeg Floodway? I know the pelicans at Lockport thought it was successful. I just wondered how it really turned out.

HON. S. USKIW: I guess we were anticipating this one because the answer was written out before the member put the question. The \$50,000 venture in the Lake Winnipeg Floodway for the purpose of rearing pickerel, an experimental venture.

MR. D. BLAKE: Last year?

HON. S. USKIW: No, it's going to be done this year.

MR. D. BLAKE: How did it turn out last year?

HON. S. USKIW: I'm advised that it was successful last year.

MR. D. BLAKE: Good. It would seem to me the ideal place. Ducks Unlimited have found it in some of their water controlled areas. It's an excellent place to rear the fry and then take them out and transplant them later on.

Just while I'm dwelling on pelicans, Mr. Chairman, as you know, our area is the trout farming capital of Manitoba or Canada, and all the days of my growing up the only way I knew a cormorant was to see a picture of one in a book. But when the trout farmers got into business, God knows how the cormorants found out, they must have a terrific radar system, but they are in there in unbelievable numbers and they're a protected bird. I must say that some of my colleagues who spent quite a bit of money in raising trout have sort of taken the law into their hands. But they're very difficult . . .

A MEMBER: On a point of order, Mr. Chairman.

MR. CHAIRMAN: A point of order has been raised.

MR. D. BLAKE: All I can say is I find them very difficult to hit, but they are creating a problem. Is there any

consideration, where they're doing damage like that, of taking them off the protected list?

HON. S. USKIW: Mr. Chairman, I would suspect that is an international venture, the migratory bird - is that what it is? They are a protected species, but we'll wait till we get to Wildlife before we deal with it.

MR. D. BLAKE: When we get into Wildlife, maybe we can expand on that, either that or I'll put a silencer on my shotgun, one or the other.

The Member for Rupertsland touched on a point about the fishing regulations, and whitefish were not profitable. I had reports coming to me from up on the lake and some of the Northern lakes that the whitefish were interfering with the quota, of course, and they were just being dumped, just being wasted. Surely there must be some way to either compensate them or take them and use them as foodstuff for animal food or something, rather than just dumping them and wasting them. I don't know how big a problem it is, but it seemed to be a fairly large problem.

Also if the Minister might tell me, I'm just not sure, but are fish caught in the Northern areas, are they available to the local market without going through the Freshwater Fish Marketing Board?

HON. S. USKIW: Apparently the Corporation does issue special dealer permits to retailers in the North to facilitate that. Also, of course, they're always open to sell directly to consumers.

MR. D. BLAKE: So there's a method for them to enjoy fresh pickerel and whatever else without going through the Freshwater Fish Marketing Board.

I mentioned to the Minister earlier the problem in Sandy Lake, and I think the Member for Roblin-Russell has a clipping that mentions several other lakes in there. A great number of them are in my constituency, Orr Lake and Dummy Lake, Horod and a few more of them there. There must be another name for Dummy Lake, but I think most of the members know how it got named and it's fairly apropos I guess.

Sandy Lake is of some concern. Stewart Lake and Sandy Lake are attracting an awful lot of fishermen in the area. I don't know how Stewart Lake survived the winterkill, but Sandy Lake apparently there is a big problem there, and the Minister has received correspondence from the Sandy Lake Village Committee and the Wildlife Association there.

There was monitoring done on the lake into the new year. Apparently, if it had been started earlier, or if there had been more communication there, they might have been able to take some steps that might have saved the fish there, because it looks like there was complete winterkill there, we don't know yet. What is the program of monitoring on those shallow lakes?

HON. S. USKIW: I am advised that where we have a record of problem lakes we monitor them. Sandy Lake has never presented a problem before.

MR. D. BLAKE: Not before, other than many many years ago.

HON. S. USKIW: So this is a bit of a surprise for the department, but we obviously will have to monitor that one next year.

MR. D. BLAKE: With the low level of water, I guess, throughout that whole area this year has probably added to the problem, but I know we'll be contacting the Minister and we'll know when the ice goes just what kind of clean-up problem there is going to be, or how badly the kill was. It looks to be extensive because, in the little creek that runs out into the golf course there is usually, at this time of year, full of jackfish, and there hasn't been a fish seen in there this year. So it looks like a complete kill-off which may be an ideal time to really go into a stocking program on that lake. I would hope the Minister would entertain requests from that area for some restocking if that kill has been as extensive as we think it is.

MR. CHAIRMAN: The Member for Ste. Rose is ahead of the Member for Arthur.

The Member for Ste. Rose.

MR. D. BLAKE: I was just waiting for the Minister's comment, Mr. Chairman. I just wonder if he could comment on the restocking. What steps do they have to take; a request comes in, or . . .

HON. S. USKIW: Mr. Chairman, that's an automatic response of ours. We intend to restock that.

MR. D. BLAKE: I questioned the Minister last year on the stocking of Stony Creek which runs north of Bethany down across the highway at Neepawa on the Yellowhead Route. That is fished fairly extensively by certain groups, they raise trout in there. There were a couple of chaps in there that have No Trespassing signs up and the response I got was that they wouldn't stock streams anymore that wouldn't allow fishing. The signs don't really mean no fishing. These people want to know who's coming in on their property, they're not against people walking down the creek to fish as long as they know who's there, because they have livestock and whatnot in there. I just wondered what the stocking policy was on that particular area, say, Stony Creek.

HON. S. USKIW: Mr. Chairman, I guess maybe there's a communication problem but, as long as we're sure there is access to the public, we have no problem servicing that area. Perhaps you might want to pass that on . . .

MR. D. BLAKE: I'll pass that on to the Game and Fish, and they can get a request in. There are trout there, but they're being depleted.

Thank you, Mr. Chairman.

MR. CHAIRMAN: We are interrupting the proceedings in this committee because of some disorder on the other side.

SOME HONOURABLE MEMBERS: Oh, oh!

SUPPLY - HEALTH

MR. CHAIRMAN, P. EYLER: Committee, come to order. We are considering the Estimates of the Department of Health, Item 7. Manitoba Health Services Commission.

The Minister of Health.

HON. L. DESJARDINS: Mr. Chairman, before the dinner hour the Member for Turtle Mountain was expressing surprise that I would sign the letter, although I'd helped in preparing the letter for the Minister of Finance, and I don't see anything unusual in that at all. I think that it's obvious that if the Minister of Finance or any other Ministers wanted some information in, let's say, personal care homes or hospitals, they would refer to me, or if I wanted information about education I would go to the Minister of Education. This, of course, is what was done in this case. We tried to make the same presentation, to be consistent with the presentation that we gave institutions in trying to prepare the Budget and given the same instruction, more or less, as much as possible to the different departments and those who had to rely on the Provincial Government to prepare the Budget and this is what was done in this case. Of course, I had to accept responsibility and I do. So I have to accept the responsibility, but it has been certainly under the guidance and leadership in this case of the Minister of Finance.

Another point I want to make is the total cost. If we took the money that normally would have gone to Health, although it is understood and it was agreed by everybody certainly in this House and everybody involved with the provincial House that the government because of this change in the funding, it was a global funding, it could be used for anything at all. It could be used for outside of Education, it could be used outside of Health. But at the time, you took that money and deducted the cost of the personal care homes and the cost of the hospitals, there was an actual reduction in at least two of the four years that my honourable friends were in government. There was an actual reduction there not in total spending, because the formula was fixed that for the first few years it was quite a bit more and then it was going to slide down, and in fact it slid down, hit bottom just when we changed government again. Then they brought in another change that took this \$72 million off, although we did get 52 later on. So the situation, if you're going to look at the money and this is the exercise we went through before dinner, and the member compared the total increase we had over last year and said, but you've got this more money. Now, I don't know if that was a necessary increase from the year before. The Minister of Finance and the Member for Turtle Mountain will be able, I'm sure, to define that, to decide that.

But the situation is that if we're talking about the total, the percentage in the actual money, not counting the share from the Federal Government, the Federal Government actually their share in 1977-78 was 46.5 percent - now I don't want to misrepresent this - this is just Health - they went up after that and they paid 51.3 in 1978-79; 51.2 in 1979-80; 49 in 1980-81; 44.2 in 1981-82; 40.4 in 1982-83; 39.7 in 1983-84; and 40.7 in 1984-85. So I don't think it is correct to look at the money and say you've only increased, and this is the lowest increase we've had.

Now, the last government did exactly the opposite. They froze everything at the beginning and at the end, closer to the election, and especially in the last year there was a big increase. You know, we can't be accused

of playing for an election this time when we've made that increase. I say that when the year is finished that you'll see the actual spending, because I'm sure it's going to be more than that when the contracts are honoured, and when you look at the emergency that will come about I think that you'll see that it'll be quite a bit larger increase than that.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: Mr. Chairman, I'm just interested in knowing which way the Minister wants to have it. Is he budgeting quite separate from the money that he gets from the Federal Government? If he is, why was he attempting to blame the Federal Government for cutbacks? If he is funding relative to what he gets from the Federal Government, all I'm saying is he's got 93 percent of all the new spending in Health and Education and he got that in increased funding this year. So it's just a question of which way does he want to play the game.

MR. CHAIRMAN: The Honourable Minister of Finance.

HON. V. SCHROEDER: Mr. Chairman, we all together budget on this side. We have the Health Minister present a budget to the Cabinet. We go over it line-by-line and we look on the other side with respect to our revenue overall, and when we look at that revenue overall we look at all sources. It doesn't matter where the dollar is coming from, it's a question of whether we're going to get that money in a fair way.

I understand the member was asking with respect to the business of \$200 per capita shortfall which the Minister of Health indicated in a letter last fall, and that of course unfortunately is quite correct. There isn't more than a \$200 per capita shortfall here in Manitoba. The all-province national average per capita yield of tax basis of national average tax rates is \$2,976.35. The five-province standard is at \$2,725.46, the difference being \$250.89. Manitoba's population is 1,056,700 at the time that calculation was made.

Of course, we know the numbers are up now so that the shortfall will be more than what we've indicated because we're at the bottom of the safety net. The shortfall at that stage was \$265 million, assuming nothing on the \$72 million. If you put the \$72 million back on, well, there is no point in doing that. We are not going to get the \$72 million, it appears. We are \$22 million short of that; so clearly we are over \$200 per capita below, that's for 1984-85, I believe. For 1985-86 the projection is \$277 million minus the amount provided by the Federal Government, the \$50 million. So very clearly there is a shortfall of more than \$200 per capita in equalization funding from the national average. That is a very serious matter in that \$200 per capita could make an awfully big difference in terms of what we are able to provide in this province for services.

As the member knows, back in 1977-78, in there, the negotiations with respect to health and post secondary education were such that both of those sets of programs were taken away from dollar-for-dollar funding. We have no problem going back to dollar-for-dollar funding. We will do better with dollar-for-dollar

funding very clearly than what we are doing without it now. We will get more money, providing that people don't define portions of our health or education systems out of the system.

I understand as well the member referred to a report dealing with what's happening between the Federal and Provincial Governments in the area of post secondary education. Some wizard came up with a formulation that would have indicated that education funding in some way is down now from where it was in '77-78 without looking at the other side. The member indicates he wasn't referring to that, so I will just sit down then.

MR. B. RANSOM: Mr. Chairman, I've got the will to participate in this debate, but I don't have the voice I'm afraid, so I've got to ask a question of the Minister, and perhaps the Minister of Finance can answer it if he wishes.

The 10-province average that the Minister of Finance refers to - the Member for Pembina seems to think this is humorous - was that the 10-province average that was in place from '77 to '82, or is that an overall 10-province average that the Manitoba Government would like to see as the formula for equalization?

HON. V. SCHROEDER: Yes, it's the 10-province average which was in place from '77 to '82 with updated measurements. The measurements are those of the Federal Government which they are now using with the five-province standard. What we have to keep in mind with those measures is that every five years the measurements do change to some extent as the economy changes and as the methods of measuring an economy improve. There hasn't to my knowledge been one period during the equalization years where you haven't had an updating of those measurements at the end of a five-year period. Manitoba never argued against the modernization of the measurements. If you see an economy going in a certain direction, and there are certain measurements that can be taken in a better fashion now than they could a few years ago, you want to measure in the best way possible.

This is the best possible measurement known in 1982, in terms of what governments came up with at that time, as was the one presumably in 1977, although the 1977 one did have, as I recall, there was a cap on natural resources revenue which I don't believe is the case in the 1982 arrangement which was unilaterally imposed. Of course, the 1982 arrangement, not having a cap on the equalization payments on natural resource revenue, tended to harm Manitoba, rather than help Manitoba, because of the fact that such provinces as Alberta, who would be high up there in natural resources revenue, were not added into the five-province average, making us appear to have stronger natural resource revenue than we do have when you look at the country as a whole. That is, we looked strong compared to the Maritimes, looked fairly weak compared to the provinces west of us in terms of natural resource revenue, and we all know that.

MR. B. RANSOM: Mr. Chairman, does this 10-province standard referred to in the Minister's letter take in all of the resource revenues that would flow to a province like Alberta, or does it only take in part of it?

HON. V. SCHROEDER: I should take that as notice, but I do believe that it would take all of it in. That's my initial reaction, if there is a change, I'll let you know.

MR. B. RANSOM: Mr. Chairman, that's my understanding, and that is exactly the point that I was making, that there has never been a 10-province equalization formula that took in all of the resource revenues from all of the provinces. The formula that was in effect up till 1982 did not take into consideration all of the resource revenues from Alberta or from Saskatchewan.

So what the Minister is talking about here is the kind of formula that he would like to have in place, not a formula that has been in place. When he uses that average and tells the people in health care institutions that they're \$200 million short of the national average, that may be, but that particular way of calculating the national average has never been enshrined in The Fiscal Arrangements Act.

HON. V. SCHROEDER: Mr. Chairman, the current arrangements call for all of the natural resource revenues to be in the formula from the five provinces who are in the measuring stick. In the past, before 1977, I do believe that the bulk of natural resource revenue was in. You could say that not all of it's in right now, even in the five provinces, and we haven't added it in in terms of some other energy sources, in fact, we have disagreed with putting it in, but now we're prepared to talk about that if people on the other side are prepared to talk about a formula that takes in all income. That is, the Economic Council has been indicating that there should be some form of economic rent with respect to low-cost hydro-electric power. But other than that we're using identical measuring sticks as are used by the Federal Government.

All we're saying is that the average should be on all 10 provinces as opposed to five provinces. It would be an interesting exercise if the member wants to base his arguments on that basis to see what would happen if we had the capped provisions with the 10 provinces go back to the 1977 arrangement. We could do the exercise and determine what kind of numbers we would get out of a capped arrangement with respect to Alberta and so on. My guess would be that Manitoba would still be way under the national average in terms of our ability to raise funds on the basis of average tax rates in the country, so I think that number is a very valid number.

We now have a difference between what was going on in 1982 and what is happening today in that we now have enshrined in our Constitution the very principle that provinces should be provided with funding adequate to provide services approximately equal to the average of other provinces. That's in our Constitution now, and it's a very important part indeed of the glue that keeps Confederation together.

We all know that there are all kinds of things that happen in this country with respect to decisions made for regions of this country. As for example, Federal Government puts in legislation, for instance, protecting the car industry and says you can't have more than so many Japanese cars imported or exported to Canada. It's a very big benefit for Ontario and maybe

to a lesser degree to Quebec. It's a very big negative to places like Manitoba where we can't buy the cheap cars as a result of those kinds of policy.

Now with these other policies in place that mitigate against those kinds of factors so that things are equalized out, and we have some benefits too from the Federal Government. We have an awful lot of programs the Federal Government historically has put into place to subsidize many of our farming operations and so on. As for example, the sugar beet industry - I was just looking up some numbers the other day - between 1958 and 1970, 11 out of 13 years, The Agricultural Stabilization Act kicked into place to provide fairly significant amounts of funding for provincial sugar producers. There was a principle involved with respect to sugar production and that's the way it goes.

You have those kinds of policy that benefit a region as against another region and so on, and on top of that you have this overlay that keeps us from getting into regional fights continuously. We have this overlay of federal policy that provides for the right of Canadians to have similar levels of services at approximately similar levels of taxation throughout the country. That's the goal of equalization and surely that being the goal of equalization it should do precisely that. That's why we use the number \$200.00. We believe that it's considerably more than that for the coming year, as I have indicated, and of course for the year following. Unless something is done, we're going to be in even more trouble because we are seeing another drop after this year's drop in equalization from last year, another drop for the year after. We don't know how far that will be yet but it could be a fairly significant one, and that is certainly another concern that we have over here on this side.

MR. B. RANSOM: Mr. Chairman, some of the points that the Minister of Finance makes may be entirely relevant to negotiating a new equalization formula with the Federal Government, and we can talk about that when we get into Finance Estimates. The point that I am making, and that has been confirmed by the Minister of Finance, is that the 10-province standard that he refers to, that the Minister of Health refers to in his letter, is one that the Provincial Government would like to negotiate; it is not the 10 province standard that was in place from '77 to '82. The clear implications that the Minister of Finance gave, and the Minister of Health gave when he signed this letter and sent it out, was to somehow indicate that there was a bigger cutback to the Provincial Government from the Federal Government than was actually the case. If they had stuck to the \$72 million, they would have had a perfectly legitimate case, but he didn't stick to that. He went beyond that to try and convince them that something was so, which was not.

I simply suggest to the Minister of Health that he should simply justify whatever budgetary decisions he is going to make; he should justify it on the basis of what he, his Cabinet colleagues, and his Caucus colleagues think they can do with the revenues that they have at hand. If he tries to justify a low level of funding on the basis of reduced transfers from the Federal Government - and it happens that this year

that we are in it happens to be fairly large increases, especially in the Established Programs Financing. If you want to play that game then, obviously, the government is only funding a very small percentage of this year's increase.

I don't happen to accept that argument. I am arguing the same way now that I argued when I was on that side of the House, and I would just hope that the Minister and his colleagues would use the same kind of rationale in government that they did when they were in opposition. I would sooner see them use the same kind of rationale when they are back in opposition to what they use now because I think that the basic argument on where the funding is coming from, or where it is going, that their position is more correct today than it was when they were in opposition.

These funds are not earmarked funds. It is intended that they will be used, but that's quite different from specifically being designated for a purpose of health and education with the expectation that the province would fund equally or greater.

My criticism of the Minister of Health is that he simply signed a letter that he didn't understand and that he used his prestige, as the Minister of Health, to try and get health care institutions to accept a level of funding based upon reasoning that he used. I say, Mr. Chairman, that that reasoning was not sound and, indeed, it was misleading.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, I want to also add some comment to the Minister's letter of January 7th. I want to point out to the Minister that basis his answers this afternoon when we were asking the Minister the budgetary process and the rationale behind this letter, I believe if I can summarize the Minister's answers this afternoon he said that they used this letter to point out, No. 1, a fiscal problem that the province was having, a revenue problem that the province was having, and that they were in the process of striking the budget for the Manitoba Health Services Commission. Basis that, they were wanting to know from the various institutions funded by MHSC, how they would cope with a zero percent budgetary increase for supplies, and a zero percent budgetary increase in terms of salary costs. They invited those comments from the various institutions by this letter.

Now presumably at the time this letter went out there was a reasonable amount of information available to the Minister of Health. He has indicated that this letter, basically, comes from the Finance Department.

HON. L. DESJARDINS: All of us together.

MR. D. ORCHARD: The Minister says from all of us together. The Minister signed a letter based on information that, in terms of its technical and figure development and numbers development, was probably a product of the Minister of Finance.

Now, at that time, the Minister indicates further that when they drew up the Health Services Commission budget and the Health Estimates, that they were operating under the assumption they were going to achieve a full \$72 million recovery from the Federal

Government, and was still asking these institutions how they would handle zero percent increases for supplies and salaries. It would follow, and the Minister can correct me if I'm wrong, that this budget basically establishes funding on that basis for those institutions.

Mr. Chairman, in comparing the reality of this document, "Revenue Estimates for the Province of Manitoba," and the letter that went out on January 7th, I think the Minister has to be made aware of certain errors in his letter. In the second paragraph, he says: "As you are aware, Manitoba faces an extremely constrained revenue situation. In total, our revenue is expected to grow by under \$25 million, or .8 percent."

The reality of it, of the financial situation of the Province of Manitoba, is that the Estimates show an increase in revenues of \$153.5 million. Deducting the shortfall of 22 million, because the Federal Government wasn't able to come up with the full 72 million, but rather injected an extra 50 million in transfer payments, that leaves revenue increases of \$131.5 million. That's over five times what the Minister indicated to all of these organizations throughout the province as a reason why he could not provide them with any budgetary increases for the coming year, and thereby asking them for suggestions as to how they would be dealing with no budgetary increases.

Now what is aggravating about this letter, and my colleague, the Member for Turtle Mountain, has pointed this out, is that the entire blame on this letter is laid on the Federal Government. The Federal Government is the problem.

The Minister made a unique analogy in developing some of his information this evening where he said that, just prior to an election, we had increased the Budget in fiscal year 1981-82 because it was an election year, and we were attempting to influence the voters in the province by fattening the Budget in our last budgetary year. That may well be a fair assessment but, Mr. Chairman, I can assure you that we did not want to influence the voter by starting an untruthful war against the Federal Government, and attempting to use the Federal Government as the straw man and as the target for an election issue, as the Minister has done in this letter, because the entire blame for no increase this year is laid on the Federal Government by the Minister of Health in this letter.

This government accepts no responsibility for their mismanagement of the provincial Budget, for their advertising budget, for their hiring of political staff, for their fattening the Civil Service with their friends from Saskatchewan, from Ed Broadbent's office in Ottawa, etc., etc., for robbing the departments of \$210 million to set up the fraud fund so they can advertise job creation. None of the problems in the health care system were properly identified as being anything to do with the Provincial Government and its mismanagement, but rather the attempt was made to blame it entirely on the Federal Government.

As often happens, Mr. Chairman, the Minister and the government got caught in trying to leave an impression that was incorrect with the people of Manitoba. They attempted to blame the Federal Government when the facts show that they cannot blame the Federal Government, when the Estimates show that on the first piece of information in this letter the Minister was out by a multiple of over five, in terms

of the increase in the revenues that they expected this year, from some \$25 million, and the Minister says: "In total, our revenue . . . "and, in total, they're projecting 131.5 million. Out by a multiple of five, incorrect by a multiple of five and, Mr. Chairman, misleading by a multiple of five to those health institutions.

He further uses, as the Member for Turtle Mountain indicates, a non-existent, all-provincial average on which he blames a further \$200-million shortfall. Once again, not correct, but leaving the impression that someone other than themselves are to blame for the cutbacks that the health care system is going to face. Then, Mr. Chairman, they talk about how they are going to handle this situation, and they're asking for advice.

Mr. Chairman, I want to point out some other information that is contained within the Estimate of Revenues of the Province of Manitoba. First of all, the increase in Health and Education spending, both departments, the increase for Health this year is \$53,919.5 million. The increase in Education is \$7,627.1 million, for a total increase in Health and Education spending of \$61.5 million roughly.

Mr. Chairman, if you go and you read this Minister's letter, you get the impression that they have nothing that they can do, that their hands are tied, that the province is powerless to fund any increases in either Education or Health. Well I want to take the Minister through his own detailed Estimate of Revenue, something that he maybe has talked about around Cabinet, and planned around Cabinet, because he said this letter was planned around Cabinet, the Health Estimates were planned around Cabinet. Maybe they even planned the details of Revenue Estimates around Cabinet as well and, they did, he should have known that in this particular year the Minister of Finance was saying the levy for health and education, the payroll tax, was going to raise an extra \$7.4 million in the Province of Manitoba. The Minister of Health would also have known that, within his own department.

On Page 4 of the Estimates, that Sundry Income through the Department of Health was going to go up by \$1,070,000; and then, more importantly, the Minister of Health in knowing and reviewing with Cabinet and his colleagues, the Estimates of Revenue from the Federal Government would know that under Government of Canada Support Programs, which we've talked about in previous lines of the Estimates, that the increase from the Government of Canada was going to be a further \$860,000; and then most important, Mr. Chairman, the Minister of Health would have known that the established programs cash transfer, the EPF funding, was going to go up by \$58.25 million.

So, Mr. Chairman, what we have is this Minister of Health sending out this letter, blaming everything on the feds, saying the province is powerless, powerless to do anything to increase the budget in Health and Education. They are sending out that kind of a letter at the same time that they are receiving an increase through their own payroll tax to pay for Health and Education, through sundry charges in the Department of Health, through transfer payments from the Federal Government and through program assistance from the Federal Government, a total of \$66.75 million of additional revenues, increase in additional revenues to Health and to Education funding, and that at the same time when this government increased the spending in both Health and Education by \$61.5 million.

According to these Estimates, this government is gleaning off \$5 million of those transfer payments and those taxation levies by the Province of Manitoba to go somewhere else. Is it into the Jobs Fund? Is it the Limestone advertising. Is it \$261,000 in the Premier's office for those five people, two who have been watchdogs over the Department of Health? Or, Mr. Chairman, is it going to be that the Minister is finally going to admit that he is going to be putting more money into the Manitoba Health Services Commission and take the Estimates of Health up further?

We don't know, but we do know, Sir, that this letter is highly misleading. It is highly partisan. It was hoping to create an election issue. It was hoping to get all of the health service institutions, the hospitals, the personal care homes, the health centres, the Manitoba Health Organization, all the administrators in those facilities who received a copy of this letter would come to no other conclusion from reading that letter than what the government had no power to do anything for them, that the Federal Government was entirely at fault with their own Estimates of revenue.

I say it is ridiculous for any Minister of Health to put his signature to a letter like this. I say it's ridiculous and that's why we're talking about it tonight. If you think that is proper government and that is telling the truth to the people of Manitoba then, my friend, I intend to keep you honest as you requested because you have been extremely dishonest in this letter with the people of Manitoba - extremely dishonest. And now, my honourable friends sit over there and they think it's funny, they think it's funny to mislead the people of Manitoba, to mislead them.

Now if that, Sir, is what the Province of Manitoba can look forward to in terms of informing the people of Manitoba about provincial programs and provincial funding, if we can look forward to this kind of a letter and if this is the product of \$261,000 worth of political staff in the Premier's office and in the Minister of Finance's office and in the Health Minister's office, if this is what the political aides are now drawing up to help this government save its political hide in the next election, then, Sir, Manitobans are really being taken to the cleaners by this government.

This, Sir, is an entirely misleading document. It is reft with error. The calculations are not correct. The assumptions are not correct. It refers to programs and equalization forms that don't even exist and it was designed, Sir, with nothing but a political motive in mind. It was not designed to foster co-operation amongst the health institutions to solve a perceived problem, an alleged problem. It was simply designed to put an election issue before the people of Manitoba that the Federal Government was entirely to blame for this government's fiscal incompetence over the last four years, nothing more and nothing less, because the numbers in this government's own Estimates of Revenue prove that this letter is not true, is not factual and is entirely misleading to the people of Manitoba.

If this is what the senior Minister in this government, the Premier's trouble-shooter, the man with the credibility in Cabinet, if this is what he is down to, is to sign letters like this that are not factual, then I don't have much faith for the rest of those lesser lights over there in Cabinet, if this is what the senior Minister is down to in terms of an attempt to create election issues,

to create false impressions in the community solely to save their political hide.

Mr. Chairman, I hope the Minister sees fit over the next short while, after Estimates, to send each one of those chairmen of the hospitals, personal care homes in the health centres and the administrators a letter showing them that the reality of the situation is much changed from the January 7th letter, that indeed the Federal Government has increased their contribution, and that indeed the province does have some fiscal maneuvering room. Mr. Chairman, it would even fit in with what our honourable friends now in government pursued in the line they took when they were in opposition and if the Federal Government gives you a dollar then you're supposed to put another dollar with it and fund health care.

They have taken without their own payroll tax, without the payroll tax, they have taken and funded 93 percent of this year's increase in Health and Education budgets by revenues from the Federal Government, hardly the position they put forward when they were in opposition, but now of course it's a little bit different. We recognize their problem, but we certainly also recognize how they try to mislead the people of Manitoba when we see letters like this signed by the Minister of Health alleging fact and figures that are correct and they are far from it, Sir, far from it.

MR. CHAIRMAN: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Chairman. It's sort of unusual for me to be responding in Health Estimates, and there are people on the other side who are pretty decent people who sit there and listen, and they might even believe some of that trash that comes spouting out of the mouth of the Member for Pembina. So I wanted to talk to you, not to him, he's beyond redemption quite frankly, but the rest of you, Mr. Chairman, the rest of you.

He's talking about revenue numbers that had changed. What he doesn't talk about is the fact that at that time there was an assumption and it was built into that letter plainly and openly that there would not be the \$72 million. That is without the \$72 million that's what happens, you know that on Budget night, and added into those numbers was the \$72 million.

A lot of things had changed between January and the time the Budget was presented that made it very clear that there would be at least something, and I think we would have been foolish and derelict in our duty to have indicated that we only expected \$50 million, and put 50 million in the Budget because you could be sure that the feds would have dropped us by something on top of that. We put 72 in, we thought it was a reasonable thing to do and I think it's something that's quite defensible. That 50, I think, if that individual who lacks integrity, would have put that in, would have dropped it to 80 million.

But beyond that, Mr. Chairman, that individual doesn't want to talk about the tax adjustment, the revenue adjustment. This was, of course, unadjusted. So you see, we do get some money from tobacco tax. We raised the tobacco tax fairly significantly, didn't we? But he doesn't want to talk about that in his adjustments. So you see . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. CHAIRMAN: Order please, order please. Order please.

The Member for Lakeside will have his opportunity.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. CHAIRMAN: Order please, order please. Order please.

I would like to caution all members to be careful of the language they use, whether it's on or off the record. If it is clearly audible, it can also be clearly unparliamentary.

Perhaps I could read to you from our Rule 41(1): No member shall speak disrespectfully or use offensive words against the House or against any member thereof.

MR. H. ENNS: You won that one, Mr. Chairman.

MR. CHAIRMAN: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Chairman. Now the member goes on and starts talking about Established Programs Financing payments, and that's an interesting argument. What he forgets, of course, is that between January 5th and the time of the Budget there was a letter sent out by Mr. Michael Wilson to all the Finance Ministers in Canada indicating another drop in tax collections of \$1.7 billion.

I said at the time that this is something that hit the feds both ways and they certainly had my sympathy because they lost in tax collections on the one side and on the other side as a result of that very change there was an increase in Established Programs Financing payments. I believe that in Manitoba we got about \$30 million overall in increases in EPF, approximately, as a result of drops in revenue received from what had originally been anticipated.

Now the Member for Pembina then turns around and in the most incredible fashion says, not looking at the income tax revenue and certainly not looking at equalization which had dropped from the year previously, he picks out one particular item and says, hey, this one is up and we should have all of it. No, he didn't say that, to his credit. He didn't say that it was all supposed to be in health and education; he just left the implication there. But he leaves the implication that somehow they did those kinds of things, that they were somehow a government that would spend fairly on health and education.

Of course, we know what they did when they were a government. He brought up that topic, Harry, not I. He brought that up and he was talking about funding in 1981 when spending increases went up by a greater percentage amount than in any year of this government. He says that had nothing to do with the election, oh, no. You know, a lot of other years they were down fairly close to zero when they had about 10 percent inflation and that meant a real decrease in spending. They had three basic years of cuts and one year of big spending - the Tory Tango - three steps back and one step forward. That's what they were doing and the voters caught them up and threw them out.

I think the Health Minister has given you the numbers, Mr. Chairman, with respect to funding of health and post secondary education during their years. That was why we were raising it. We were raising it because there was a very serious problem in those institutions and we were seeing numbers coming through from the Federal Government indicating that overall over half the money going into health and education, at least for a portion of their time, overall, over half of it was being funded by the feds.

Under our term, as the members opposite well know, that dropped. Those are the last numbers we had available that I've seen, and I am sure my department has more updated ones that may even be going in the other direction. But, overall, in health and post secondary education, out of every dollar the province provides 57 cents and the Federal Government provides 43 cents. Now it may have improved slightly but it's not the way it was in the worst of the Tory years when the Federal Government was providing more than 50 cents out of every dollar, something like 51 to 49, or 52 to 48, somewhere in that range. So there we are, and these people stand there, or this person stands there and suggests that somehow we are not doing what we should and we shouldn't have been criticizing him in those days. I think we criticized them to the exact extent that they deserved it.

When you talk about revenue estimates overall, they do change every month. I get new estimates every month. Sometimes they are up; sometimes they are down. To suggest on \$3 billion worth of revenue, and you strip it all the way, you are talking about maybe \$50 million or something like that of differences. When you talk about a 1 percent or 2 percent change in overall revenue expectations over a period of several months, that happens all the time.

If they think, Mr. Chairman, that their predictions are always so accurate, then let me remind them of some of their predictions. The Member for Pembina, and I am sure he was being sincere, stood up here in 1983 and said that you could bet your bottom dollar that the deficit would be at least \$750 million, and he said it would be all because of more spending, I believe. That was his terminology. Now we know the Budget for that particular year ended up at approximately \$430 million. He was hundreds of millions of dollars out. That doesn't mean that he was cheating; that doesn't mean — (Interjection) — well, Frank, it was in already. It was after the Budget. Couldn't he add it up?

I had presented the Budget and your people were telling us that my numbers were wrong. It was the same kind of gutter attack not on the basis that you didn't believe - you had the right to believe I was wrong - you didn't have the right to believe that I was trying to trick you. You were wrong at that time. Everyone of you who were making those ugly allegations, and none of you had the guts to stand up since and apologize for the fact that you did have that kind of an attitude toward what we were doing. I think you should have. You were clearly wrong; we had some of you coming up to a billion dollars deficit when we came in at about \$430 million. I have no problem with your being wrong; I am wrong often, too. And the Member for Pembina has indicated that I was out by 1 percent or 2 percent with respect to revenues in January as opposed as to where we were in February. He was out an awful lot more than that in his predictions.

There is one difference, though, and that I want to emphasize, Mr. Chairman. Between the estimates made on his part and the estimates made on my part, when he made that estimate of \$750 million deficit as he is doing now with other things, he is trying to lead the House into believing that there is some plot. He has the right to believe anything he wants with respect to where the revenue will really be. I don't think he has the right to believe that nonsense. I could say, in return, that it's some kind of a terrible Tory plot to come in here, on a Tuesday evening when there is a hockey game going on, and talk about dribble that they can't substantiate, dribble on which they are wrong, time after time after time. — (Interjection) — I'm calling your speeches dribble, Harry, your speeches, that's what I'm calling dribble.

MR. CHAIRMAN: Order please.

HON. V. SCHROEDER: The letter referred to, January 7, 1985, this is the letter that the Member for Turtle Mountain says is somehow so totally terrible. This is the statement that was made, and this is a statement that was supplied by the Department of Finance, by me to the Minister of Health. He doesn't need to take the flack for this, I'll take it. There's nothing wrong with this, even without the cuts. Federal equalization support would fall over \$200 million short of the amount required to bring Manitoba's resource capacity to the all-province average, and that's a fact. Well, I'm sorry. — (Interjection) — It doesn't talk about a formula; it talks about Manitoba's resource capacity at the all-province average.

MR. CHAIRMAN: Order please.

HON. V. SCHROEDER: That is what is protected in the constitution, and I'm quoting now from the constitution, "that provincial governments have sufficient revenues to provide reasonably comparable levels of public services at reasonably comparable levels of taxation." Is it reasonably comparable to be over \$200 million short of the national average? Is that what you're saying is reasonably comparable? Because that is what you are telling the people of Manitoba if you are saying that we are wrong when we say that we are short \$200 million when we are short \$200 million. That is a fact. There's no figment of imagination, that's nonsense. We're talking about reasonably comparable levels of services at reasonably comparable levels of taxation as enshrined in the Constitution. We're asking the Federal Government to live up to it. — (Interjection) — Well, there's good old Frank, take it to court, Frank. He wants to go to court, rather than finding a political solution within Confederation.

MR. CHAIRMAN: Order. Order. I call the Members for Pembina and Sturgeon Creek to order. Would the Member for Sturgeon Creek care to repeat that statement on the record? — (Interjection) — I'm sorry I have no alternative but to report the Member for Sturgeon Creek to the Speaker for defying the authority of the Chair.

Call in the Speaker. Committee rise.

IN SESSION

MS. M. PHILLIPS: I interrupt the proceedings of the Committee to report an incidence of disorder where the Member for Sturgeon Creek stated to the Chairperson to go jump in the lake.

MR. DEPUTY SPEAKER, P. EYLER: The Honourable Member for Wolseley.
The Honourable Government House Leader.

HON. A. ANSTETT: Yes, Mr. Speaker, with regret, but in accordance with our Rule 14 which requires the moving of this motion upon the report by the Speaker, I move, seconded by the Minister of Finance, that the member be suspended from the service of the House for the remainder of this sitting.

MR. DEPUTY SPEAKER: It is moved by the Honourable Government House Leader, seconded by the Minister of Finance, that the Member for Sturgeon Creek be suspended from this House for the remainder of this sitting.

Do you wish the motion read again? (Agreed) It is moved by the Honourable Government House Leader, seconded by the Minister of Finance, that the Member for Sturgeon Creek be suspended from the service of this House for the remainder of this sitting.

The Honourable Member for Virden on a point of order.

MR. H. GRAHAM: Mr. Speaker, on a point of order, have all members of the committee been notified of the actions that are taking place?

MR. DEPUTY SPEAKER: Will the Clerk inform the other committee that the House is sitting?

HON. A. ANSTETT: Mr. Speaker, I'm unclear whether under Rule No. 14 you specifically named the Member for Sturgeon Creek requiring the moving of the motion, as moved. I believe that was your intent, Sir, but I wish to raise a point of order under Rule 14, one then, Sir, as to the admissibility of the motion if naming has not taking place. You may wish to consult with the Clerk upon his return.

MR. DEPUTY SPEAKER: Order please.
The Member for Wolseley has reported to the Speaker that the Member for Sturgeon Creek was reported by committee to be involved in disruptive behaviour. The Member for Wolseley has not yet moved her report. The Chair will entertain a motion by the Member for Wolseley.

MS. M. PHILLIPS: Mr. Speaker, I move, seconded by the Member for Rupertsland, that the report of the committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: Accordingly, I have no alternative but to name Frank Johnston, the Member for Sturgeon Creek, for defying the authority of the Chair.

Order please. The Honourable Government House Leader.

HON. A. ANSTETT: Mr. Speaker, on a point of order. I respect the difficult position in which a member appears to have placed you, Sir. I would like to raise a point of order under our Rule 14(2). My understanding of the procedure required, the one that we have used in the past, is that the proceedings in the committee are suspended and that the Chair of the committee reports to the Speaker the disruptive action which, usually under our Rule 14(1) would consist of wilfully obstructing the business thereof, or any other offence to the Chair. There is a report that there was such an offence, Sir. I don't believe that that report has to be moved, seconded or passed. The committee is only suspended, Sir. I believe, Sir, that what is required then is for you, as has been our past practice, to offer the member an opportunity to make an explanation, or withdraw. If that, Sir, is not acceptable to the Speaker, in accordance with our past practices, then and only then, would the member be named.

I think, Sir, that there has been some confusion with regard to that procedure and I think we should do our best to adhere to it so that there is an opportunity to set this matter straight without any further difficulties. The committee proceedings were suspended, Sir, and we now have that report to you by the Chair.

MR. DEPUTY SPEAKER: Order please.
The Honourable Opposition House Leader.

MR. H. ENNS: Mr. Deputy Speaker, on the same point of order, I thought the Honourable Member for Wolseley was acting as Chairman of the committee and reported to you, Sir. The committee rose. She made the official request that the report of the committee be received. You asked for yeas and nays. The yeas got it, were ruled in order, and the committee has risen, Mr. Deputy Speaker, and that's where I think we are at procedurally.

If I may be of further assistance to the Government House Leader, if he wishes to proceed with this madness, then a formal motion for suspension of the Member for Sturgeon Creek's sitting privileges for the remainder of the Session is now in order.

A MEMBER: The remainder of the Session?

MR. H. ENNS: The remainder of the sitting, but committee has risen, Sir.

MR. DEPUTY SPEAKER: Order please.
The Opposition House Leader is correct in his interpretation of the proceedings to date.
The Honourable Government House Leader.
The Member for Virden on a point of order.

MR. H. GRAHAM: No, Mr. Speaker, because there is no motion coming from the Government House Leader, I move, seconded by the Honourable Member for Emerson, the House do now adjourn.

MR. DEPUTY SPEAKER: Order please.
The Member for Virden was recognized on a point of order. A motion for adjournment cannot be made on a point of order.
The Honourable Government House Leader.

HON. A. ANSTETT: Mr. Deputy Speaker, since I understand, Sir, that you have named the honourable

Tuesday, 23 April, 1985

member I am then compelled — (Interjection) — I believe, Mr. Speaker, you have named the honourable member. The Speaker has named the honourable member. He has confirmed that. I, therefore, move that the Member for Sturgeon Creek be suspended from the service of the House for the remainder of this sitting.

MR. DEPUTY SPEAKER: Are you ready for the question?

The Honourable Member for Sturgeon Creek on a point of order.

MR. F. JOHNSTON: May I ask why?

MR. DEPUTY SPEAKER: Order please.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER: Order please, order please.

The Honourable Member for Minnedosa on a point of order.

MR. D. BLAKE: Yes. I was not in the House, as were some of my colleagues that were sitting in the other committee, and we really don't know what we're voting for or against. We'd like to know what the charge is or what's happened while in our absence.

MR. DEPUTY SPEAKER: Order please.

The Honourable Member for Sturgeon Creek has been named for defying the authority of the Chair in committee.

The Honourable Opposition House Leader to a point of order.

MR. H. ENNS: Mr. Deputy Speaker, on the same point of order and for the benefit of colleagues on both sides of the House who were not in this committee when the alleged offence took place, I wish to inform all. The Member for Sturgeon Creek was heard to whisper to somebody to, "Go jump in the lake." And for that reason we are suspending him for the rest of the sitting.

MR. DEPUTY SPEAKER: Order please.

The Honourable Government House Leader.

HON. A. ANSTETT: Mr. Deputy Speaker, to the same point of order, I don't think that points of order should be used for the purpose they are being used here today. I think the circumstances surrounding this incident are unfortunate, but I think members should be clearly advised that the Member for Sturgeon Creek made the statement to which the Member for Lakeside refers, not in a whisper but in a loud, clear voice, and when asked to repeat it, repeated it directly to the Chair of the committee.

That kind of disrespect to the Chair and authority of this House is the reason for naming the member. I had hoped the member would have had the courtesy to withdraw the statement.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. DEPUTY SPEAKER: Order please, order please.

HON. A. ANSTETT: Well we must do it. The only order of business is to vote on the motion. It's not debatable.

MR. DEPUTY SPEAKER: Order please, order please.

There is a motion on the floor. It has been moved by the Honourable Government House Leader, seconded by . . .

A MEMBER: You made a wrong statement.

MR. DEPUTY SPEAKER: Order please, order please.

It has been moved by the Honourable Government House Leader, seconded by the Minister of Finance, that the Member for Sturgeon Creek be suspended for the remainder of this sitting.

All those in favour, please say, aye; those opposed, please say, nay. In my opinion, the ayes have it.

MR. H. ENNS: Yeas and nays, Mr. Speaker.

MR. DEPUTY SPEAKER: Call in the members. Order please.

It is moved by the Government House Leader, seconded by the Minister of Finance, that the Member for Sturgeon Creek be suspended for the remainder of this sitting.

A STANDING VOTE was taken, the result being as follows:

YEAS

Adam, Anstett, Ashton, Bucklaschuk, Cowan, Desjardins, Dodick, Evans, Fox, Harper, Hemphill, Kostyra, Lecuyer, Mackling, Malinowski, Pawley, Penner, Phillips, Plohm, Santos, Schroeder, Scott, Smith, Uruski, Uskiw.

NAYS

Banman, Blake, Brown, Downey, Driedger, Enns, Gourlay, Graham, Hammond, Hyde, Johnston, Manness, McKenzie, Oleson, Orchard, Ransom.

MR. CLERK, W. Remnant: Yeas 25; Nays 16.

MR. DEPUTY SPEAKER: The motion is accordingly passed.

The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker. I move, seconded by the Minister of Health, that the House do now adjourn.

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