

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 4 June, 1986.

Time — 2:00 p.m.

OPENING PRAYER by Madam Speaker.

MADAM SPEAKER, Hon. M. Phillips: Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

INTRODUCTION OF GUESTS

MADAM SPEAKER: Before we reach Oral Questions, may I direct the attention of honourable members to the gallery where we have 55 students from Grade 4 from the Green Valley School. These students are under the direction of Mrs. Moir, and the school is located in the constituency of the Honourable Member for Emerson.

We have 19 students from Grades 4, 5 and 6 from the Mapleton School. The students are under the direction of Mrs. Cathy Phillipson, and the school is located in the constituency of the Honourable First Minister.

On behalf of all the members, may I welcome you all to the Assembly this afternoon.

SPEAKER'S RULING

MADAM SPEAKER: Again, before we move to Oral Questions, the Honourable Member for Brandon West raised a point of order based on a reference or an allegation that it is unparliamentary to refer to the manner in which a member represents his constituency.

I have reviewed Beauchesne, Citation 320(r), to which the member referred, and the relevant Hansard of February 23, 1909. On that occasion, one member referred to another as misrepresenting a particular constituency and was ruled out of order.

In this instance, I do not believe that the precedent is relevant and therefore the honourable member does not have a point of order.

ORAL QUESTIONS

Signing authorities - senior civil servants

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker. My question is for the First Minister.

A Cabinet, by Order-in-Council, establishes signing authorities for senior civil servants and these signing authorities are in order to streamline and expedite government business. Can the First Minister indicate to the House, as the president of the Executive Council and the person who signs those Cabinet authorizations

of signing authorities, what the maximum limit of signing authorities for senior civil servants are in the Province of Manitoba?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, to ensure that there is accuracy by way of response, I'll take that as notice.

MR. D. ORCHARD: Thank you, Madam Speaker. I will maybe pose my next question to the Minister of Finance; he may have the answer.

Can the Minister of Finance inform the House as to whether Marc Eliesen, as a senior civil servant in the Province of Manitoba, has signing authority in excess of \$40,000.00?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: I'll take that question as notice, Madam Speaker.

MR. D. ORCHARD: Madam Speaker, another question to either the First Minister, or the Minister of Finance and Treasury Board Chairman.

Can either of those individuals of the Treasury Bench indicate whether Mr. Eliesen, in his position with the Manitoba Energy Authority, has any signing authority whatsoever on behalf of the Department of Energy and Mines?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: I'll have to take that question as notice, other than to respond in terms of — these are issues that are presently before an inquiry, but in terms of the specific question I will take that as notice and provide the answer in due course.

Inquiry - former Minister Wilson Parasiuk

MADAM SPEAKER: The Honourable Member for Pembina with a supplementary.

MR. D. ORCHARD: Madam Speaker, the Minister of Finance might possibly be able to answer this question.

The question would be whether it was the Department of Energy and Mines or whether it was the Manitoba Energy Authority which signed the \$40,081 contract with WMC Research Associates.

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, without paralleling the Commission of Inquiry — this is what I thought the

Deputy Leader was attempting to do — this matter, I am informed, was properly dealt with this morning before the Commission of Inquiry.

MR. D. ORCHARD: Then, Madam Speaker, surely the First Minister would not be adverse to answering a simple question, since it has been dealt with in a public forum, as to whether a contract with WMC Associates for \$40,081 was in fact signed by and on behalf of the Manitoba Energy Authority, or the Department of Energy and Mines.

HON. H. PAWLEY: Madam Speaker, I have too much respect, that the (Opposition) Deputy Leader does not have, for the Commission of Inquiry by Chief Justice Freedman, the importance of that inquiry proceeding on a basis that is not paralleled by debate in this Legislature. It is my understanding that particular point was dealt with, and dealt with well this morning, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Pembina with a supplementary.

MR. D. ORCHARD: No, Madam Speaker, I have a new question for the First Minister, since he now has some recollection of facts.

Madam Speaker, Mr. Eliesen has been quoted as saying, "I signed the contract. The MEA approved the contract, not the Department of Energy and Mines, and the Minister wasn't involved whatsoever." Could the First Minister indicate to the House whether in fact the contract was signed by the Manitoba Energy Authority or by the Department of Energy and Mines as was indicated in evidence presented yesterday? Which authority signed it?

MADAM SPEAKER: Order please. Beuchesne Citation 357(d) says a question should not "repeat in substance a question already answered, or to which an answer has been refused."

The Honourable Member for Morris.

MR. C. MANNES: Thank you, Madam Speaker. My question is to the Chairman of Treasury Board.

Can he indicate whether contracts of all descriptions including consulting in excess of \$5,000 entered into by any department of government require Treasury Board approval? I use an example, the Andy Anstett consulting contract.

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

All contracts entered into by government departments, I believe over \$5,000, have to be approved by Treasury Board and have to be reviewed by the Attorney-General's Department, that is, government department not agencies outside of the direct government departments.

MR. C. MANNES: Well, Madam Speaker, given the revelation that a \$40,081 consulting contract was paid by the Department of Energy and Mines to WMC

Research Associates, did Treasury Board approve this contract?

HON. E. KOSTYRA: As I indicated, contracts that are entered into by departments are subject to that process. Contracts that are entered into by agencies, such as the Manitoba Energy Authority or other Crown corporations, are not subject to that process. In terms of the specific area, it was already indicated that has been taken as notice, that particular question.

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Madam Speaker, it would appear to have been established, to use the First Minister's words, this morning, that it was in fact the Department of Energy and Mines that paid for that particular contract that was awarded to WMC, former business partner of the former Minister of Energy and Mines.

My question to the Premier, Madam Speaker — and before the First Minister rises to his feet — my understanding is that the question of the conduct of the Chairman of Manitoba Hydro is not before any Commission of Inquiry. My question to the First Minister is: has the First Minister called in the Chairman of Manitoba Hydro to explain the contradiction now surfacing about who was responsible for the consulting contract awarded to the former business partner of the then Minister of Energy and Mines?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, I regret that the Member for Lakeside prefers to base his question upon a newspaper article which was dealt with this morning before the Commission of Inquiry. It is my understanding that as a result of the evidence that was adduced this morning before the Commission of Inquiry that the newspaper article in fact may not be factual. Possibly the Member for Lakeside might want to check his facts, might want to check the transcript, or even having a watching brief so he depends upon direct information before the Commission of Inquiry, not depend upon second-hand reports from newspapers. Lastly, Madam Speaker, it was the Leader of the Opposition who said before this House that he would be prepared to respect the findings of the Commission of Inquiry by Chief Justice Freedman, that we would not be engaged in second guessing the work by that very learned gentleman.

MR. H. ENNS: Madam Speaker, on a point of order.

Members on this side are attempting very cautiously not to transgress any ruling that you would, of course, have to bring down — this is on a point of order — if specific references are being made with respect to a Commission of Inquiry that is currently under way looking into the affairs of the former Minister of Energy and Mines, Madam Speaker. We are not raising those kind of questions, but, Madam Speaker, I don't expect the First Minister be allowed to raise, at his convenience, issues and references to that same Commission of Inquiry when we can. We are asking specific questions that are outside the realm of reference now before that Commission of Inquiry.

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Now, Madam Speaker, I have a question.

MADAM SPEAKER: The honourable member does not have a point of order. The honourable members can ask their questions; I will determine whether their questions are in order. They cannot determine whether the answer has been to their satisfaction. They can then ask another question to help clarify the situation.

My understanding also is that this particular kind of an inquiry is not sub judice.

MR. H. ENNS: Thank you, Madam Speaker, for that information.

Madam Speaker, I direct a further question to the First Minister. I ask the First Minister: how can the First Minister continue to have confidence and, more importantly, expect the people of Manitoba to have confidence, in the conduct of the Chairman of Manitoba Hydro who it now appears is prepared to commit perjury and mislead the government and the general public on such an important issue involving the Hydro development projects of this province? How does he expect us to maintain confidence in that particular person in that capacity?

HON. H. PAWLEY: Madam Speaker, I challenge the Member for Lakeside to repeat that statement outside this Chamber. He's accused the Chairman of Manitoba Hydro committee of a criminal offence. I've seen that contract. It has been signed by the Chairman of Hydro, Eliesen. I challenge the Member for Lakeside to leave this Chamber and repeat that statement outside this Chamber.

A MEMBER: Were you withholding information?

A MEMBER: Repeat or withdraw.

MR. H. ENNS: Madam Speaker, far from withdrawing, my next . . .

MADAM SPEAKER: Order please, order please. I will recognize the honourable member in a moment.

The Honourable Member for Lakeside.

MR. H. ENNS: A supplementary question, Madam Speaker, to the First Minister.

Does the First Minister consider the actions of the Chairman of Manitoba Hydro as a cover-up attempt to shield his friend and former Minister of Energy and Mines?

HON. H. PAWLEY: Madam Speaker, I am saddened, I'm aghast by the line of questioning this afternoon. The purpose for the establishment of the Commission of Inquiry by the former Chief Justice Freedman was to ensure that there would be an objective analysis of the allegations that have been made. The honourable members across the way are obviously uncomfortable about an objective inquiry. They would sooner repeat allegations in this House, innuendoes in this House, Madam Speaker. If those allegations were repeated outside this Chamber, they'd be sued for libel within 24 hours.

MR. H. ENNS: Madam Speaker, my colleague, the Member for Pembina, and my colleague, the Member for Morris, have given the Premier an opportunity . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. H. ENNS: Yes, Madam Speaker.

MADAM SPEAKER: Question period is not a time for debate. Would you ask your question?

MR. H. ENNS: Okay, Madam Speaker. I am simply trying to ascertain the truth. Who paid the \$40,000 to WMC? Which department of government or agency of government paid for that contract? Just answer that question.

MADAM SPEAKER: Order please, order please. Two Ministers have taken that question as notice, and I have already cautioned . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please. My goodness gracious sakes alive! A member should not repeat in substance a question already answered or to which an answer has been refused.

MR. H. ENNS: Golly gee, I'm disturbed too. I am asking the First Minister . . .

MADAM SPEAKER: Order please.

MR. H. ENNS: . . . he revealed a few moments ago to this House that he has seen the contract. Who paid for the contract?

MADAM SPEAKER: Order please.

MR. H. ENNS: Madam Speaker, I realize you can rule me out of order . . .

MADAM SPEAKER: The Honourable Member for Lakeside, with a new question.

MR. H. ENNS: Well, then, Madam Speaker, I'm asking a new question, although I suspect you will rule me out of order because it has been asked before. Who paid for the contract?

MADAM SPEAKER: The honourable member's question is out of order, and I have notified him three times it's out of order. If someone else has a question, we will proceed with Oral Questions.

The Honourable Member for Pembina.

MR. D. ORCHARD: Madam Speaker, on a point of order, the question I posed to the First Minister and to the Minister of Finance involved the WMC contract and the method of payment. It was taken as notice by those two Ministers, but yet the First Minister in later questions revealed that he had seen the contract; he'd seen who had signed it. It begs the question that the public of Manitoba must be asking is: what is this First Minister hiding? Why doesn't he answer who paid the contract?

MADAM SPEAKER: Order please. The honourable member does not have a point of order. That question

has been asked several times. The answer has been either answered or refused, as Beauchesne Citation 357(d) says. I am suggesting members change their line of questioning.

The Honourable Member for Morris.

MR. C. MANNES: Thank you, Madam Speaker. I address a question to the Chairman of the Treasury Board.

Given that the Manitoba Energy Authority — and I have their Annual Report in front of me — receives all of its funding from the Province of Manitoba in two forms, either direct appropriation from the Department of Energy and Mines or through advances from the Province of Manitoba, does the Authority or its chairman have complete freedom to enter into any type of consulting contract?

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Madam Speaker.

The process that is in place with respect to that corporation is the same with respect to other corporations. There also is a process of auditing of the books of that corporation, as there is with every other public corporation, and there's a reporting of those audits to the government and ultimately to the Legislative Assembly.

Pay equity report

MADAM SPEAKER: The Honourable Member for Kirkfield Park.

MRS. G. HAMMOND: Madam Speaker, my question is to the Minister of Labour.

Has the Minister received a report from the executive director responsible for pay equity, giving the progress and the implementation of pay equity?

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, I have received oral reports from time to time regarding the progress in respect to the implementation of pay equity.

I can advise that, for example, the parties, after considerable discussion, did agree upon a consulting group who will be advising in respect to the evaluation system, and that is Hay and Associates. That agreement was reached some weeks ago.

MRS. G. HAMMOND: A supplementary question to the same Minister. Will the Minister assure the House that the report will be tabled before the Estimates dealing with pay equity?

HON. A. MACKLING: Madam Speaker, I will provide honourable members with as much information as is available to me as to the progress of the implementation of pay equity, but I will not be in a position to file formal reports because it's an ongoing process. But, certainly, there'll be ample opportunity during the course of Estimates, which include a line for the Pay Equity

Bureau, to go into as much detail as members wish in respect to our initiatives there.

MRS. G. HAMMOND: Just one further question to the same Minister.

In the reports that are to be tabled in the House, it mentions that the executive director is to submit, at least once in every 12 months, a detailed report setting out the progress. I was wondering if the Minister would be able to table a report in this Session dealing with The Pay Equity Act.

HON. A. MACKLING: I'll take that under consideration. I don't know whether that will be possible. That is, I'm certain we could file a type of report which would bring members up to date on progress to date, certainly consider that, and if it would be useful maybe we can pursue that.

Child abuse - Terms of Reference of Inquiry

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Yes, Madam Speaker, I'd undertaken at an earlier time to announce as soon as possible the names of the people who would be carrying on the external review of child abuse in the City of Winnipeg, and also to table the terms of reference.

I have those available now for distribution and, as well, the current guidelines that are being followed with regard to identifying and reporting child abuse. The names of the . . .

MADAM SPEAKER: Does the Honourable Minister want to continue, or is this in response to an oral question, or . . .

HON. M. SMITH: Yes, I had undertaken to give the names of the reviewers. The terms speak for themselves, and people may peruse them.

Again, the names of the reviewers are Dr. Eric Sigurdson, a physician who has worked for 12 years as a part-time medical officer of Health and also held a private practice in Dauphin. He's been involved in the child abuse multidisciplinary teams in Dauphin and a member of the Provincial Advisory Committee on Child Abuse for three years and its chairperson for 10 months. His work on child abuse is respected throughout the province. He has also presented papers at international conferences on child abuse.

The other person is Professor Grant Reid from the University of Manitoba School of Social Work.

Education, quality of - initiatives

MADAM SPEAKER: The Honourable Member for Roblin-Russell.

MR. L. DERKACH: Thank you, Madam Speaker . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

The Honourable Member for Roblin-Russell has a question in question period. This is not a time for debate.

MR. L. DERKACH: Thank you, Madam Speaker. I have a question for the Minister of Education.

The former Minister of Education made an announcement in January of this year, outlining plans to introduce a series of initiatives to enhance the quality of education in Manitoba. Seven distinct initiatives were set forth, and a Dr. Tony Ruffell was appointed to coordinate these initiatives. Will the present Minister of Education tell the House, specifically, the progress that has been made with regard to this to date?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Thank you, Madam Speaker. I would certainly be more than happy to report the progress that's been made on the quality education initiatives. I suppose that one of the most significant areas of progress has been the interorganizational cooperation that we have received on these initiatives.

In fact, one of the initiatives has already produced an interorganizational paper, that having to do with professional development in the Province of Manitoba. If the member will recall, I made reference to it in my address to the Throne Speech, referring to the frankness and openness with which all of the organizations addressed the problem of professional development. It is a problem which is of concern to a great number of parents and community people in the province, and is also a concern to administrators and school boards in the province.

One of the areas where we have been most successful is pulling together the School Trustees' Association and the Superintendents' Association and teachers into addressing some major problems that confront us all.

So those initiatives are under way. They begin by the groups involved sitting down and trying to come to some consensus about the current situation and make recommendations. Those initiatives are being implemented, it is going to take some time.

The member has asked a very expansive question, and perhaps I'll finish the answer at some other time.

MR. L. DERKACH: I didn't ask a question about teacher professionalism but, nevertheless, what specific plan of action is in place to bring forth specific suggestions from trustees, parents and individuals who may have an interest in this area?

MADAM SPEAKER: The Honourable Minister of Education, briefly.

HON. J. STORIE: Madam Speaker, I perhaps overestimated the member's knowledge of the quality of education initiatives. The reference that I made to professional development was exactly one of those initiatives. What is required and what has been done is to get all of the organizations involved in education together to develop, first of all, an overview of the problem and, second of all, come to some consensus

about what needs to be done. That is, in fact, one of the seven initiatives.

There are six other initiatives and, if the member wishes and if Madam Speaker allows, I would be more than happy to elaborate.

MR. L. DERKACH: Madam Speaker, can the Minister tell the House whether, in fact, school divisions and individuals throughout the province will all be afforded the opportunity to take part in the initiatives, whether this is on a voluntary basis or whether this is going to be involving every division board in every school division throughout the province?

HON. J. STORIE: Madam Speaker, certainly this is going to involve school divisions from all across this province. Madam Speaker, the involvement of the school division is going to very much be determined by the desire of teachers in the division and school boards to become involved.

Now, Madam Speaker, I have outlined already a major paper that has been prepared by the Manitoba Association of School Trustees, which represents school divisions throughout the province, the Manitoba Teachers' Society, all major groups, the superintendents as well; they have come together and prepared a paper.

Madam Speaker, obviously the result of that work is going to be the focal point for discussions at the division level, at Teachers' Society meetings, at parent-teacher meetings over the coming months. Those initiatives do, in fact, affect all of the province, all school divisions. The extent to which parents, teachers, trustees become involved, it will be tremendously effective.

City of Winnipeg - tax reassessment

MADAM SPEAKER: The Honourable Member for Riel.

MR. G. DUCHARME: Thank you, Madam Speaker. My question is to the Minister of Municipal Affairs.

In October of 1985, Mr. Justice Croft of the Court of Queen's Bench ordered a total reassessment for the City of Winnipeg by December of 1986. The Legislature passed Bill 105, An Act to amend The Municipal Assessment Act, assented to August 18, 1983, but has yet to proclaim Section 2 dealing with classification and portioning. Does the Minister intend to recommend Royal Assent to Section 2 prior to December 31, 1986?

MADAM SPEAKER: The Honourable Minister of Municipal Affairs.

HON. J. BUCKLASCHUK: Thank you, Madam Speaker.

The matter of classification and portioning cannot be dealt with until such time as the Department of Municipal Affairs has all the information that is required to make a responsible decision. When that information is available, and it is in the process of being provided to us at the present time, we will then review that information and appropriate decisions will be made.

But insofar as proclaiming Section 2 of Bill 105 prior to the end of 1986, I certainly cannot give that commitment at this time.

MR. G. DUCHARME: Does this mean the government is going to ignore the plea of the City of Winnipeg to implement this legislation for protection of Winnipeg homeowners?

HON. J. BUCKLASCHUK: Madam Speaker, I am not aware that there is a plea from the city that that section be proclaimed to protect Winnipeg homeowners. It may be that is a fixation within the minds of some of the Opposition members, but that is not the reality.

I am presently reviewing Bill 100 and Bill 33, I believe, which will facilitate the city assessor with the reassessment process. But insofar as the proclamation of Section 2 of Bill 105, that will do nothing to resolve the problem.

MADAM SPEAKER: The Honourable Member for Riel, on a final supplementary.

MR. G. DUCHARME: Is it the government policy, regardless about a plea from the City of Winnipeg and an answer from the Minister, to ignore the plight of the Winnipeg homeowners and support tax deductions for corporations?

HON. J. BUCKLASCHUK: For the information of the Member for Riel, it certainly is not the position of this government to ignore the plight of Winnipeg homeowners. There has been communication to the chairperson of the Executive Planning Committee that, when the information is available to us, when we have had a chance to review it, then we will consider whether or not a hardship is being imposed on Winnipeg homeowners. If that is a concern, at that time we are quite prepared to sit down with the Mayor, with members of Council, and discuss what might be possible to ameliorate whatever hardships may occur.

MR. G. DUCHARME: A further supplement. Will the Minister, or can he answer when, because there is a plea, in what period of time will he be sitting down with the City of Winnipeg, with the Mayor and the EPC Chairman and the members that are concerned?

HON. J. BUCKLASCHUK: As I indicated, we are quite prepared to sit down with city officials and elected officials . . .

A MEMBER: When?

HON. J. BUCKLASCHUK: . . . as soon as the department has had the opportunity to review the information that will give us some idea of whether there is a situation. Well, you may say five years, but it is a fact that we have only received the required information from the City of Winnipeg a matter of two or three weeks ago.

We are dealing with a massive amount of information that has to be examined very thoroughly before any kind of reasonable, intelligent decisions can be made. Staff are doing that. As soon as the staff are able to comment on the potential impact, then we will be in a position to sit down with the officials of Winnipeg and discuss what the potential hardships might be and what the province might consider doing to ameliorate those hardships, if there be any.

Manitoba School for the Deaf - safety procedures

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker. My question is to the Minister of Education.

The school bus drivers for the Manitoba School for the Deaf, who transport children who for the most part are severely hearing impaired, do not have sign language training and therefore cannot communicate with the children in their care about safety procedures. Will the Department of Education be instituting such courses for these drivers?

MADAM SPEAKER: The Honourable Minister of Education.

HON. J. STORIE: Madam Speaker, I'm not aware of any current efforts to provide that kind of training; however, I think the member has a valuable suggestion and I will be bringing it up with departmental officials.

Mosquito fogging

MADAM SPEAKER: The Honourable Member for Charleswood.

MR. J. ERNST: Madam Speaker, my question is for the Minister of the Environment.

The City of Winnipeg licence granted for mosquito ground fogging has a number of restrictions attached to it. One of those restrictions is the number of mosquitoes to be found in a trap before spraying is allowed; I believe 25 over a three consecutive day period is the number. The second is wind velocity not exceeding 10 kilometres per hour.

Madam Speaker, it is my understanding that both of these are creating some problem for the city in the carrying out of their program.

Will the Minister consider being a little more flexible, or allowing a range of consideration in these two areas in order to facilitate the ground fogging program?

MADAM SPEAKER: The Honourable Minister of the Environment.

HON. G. LECUYER: Thank you, Madam Speaker.

If at first you don't succeed, try, and keep on trying. Since this permit was applied for by the City of Winnipeg sometime in February of this year, these conditions of the permit have been in place since that time.

I wish to repeat what I have said many times, Madam Speaker, all of the conditions are the same conditions as were suggested by the City of Winnipeg. I have here, Madam Speaker, in front of me, the report by the City of Winnipeg entomologist for 1985. These conditions that the City of Winnipeg applies to itself are in here, Madam Speaker, and there is a reason and a rationale given by the City of Winnipeg for having these same conditions in place.

The only one that was added, Madam Speaker, was the 100 metre, what some call the buffer zone, which

I have called limited protection zone, which was provided to enable the individuals who view the fact that being sprayed with a pesticide might be damaging to their health.

Now, Madam Speaker, that in itself, we have said, does not in any way hamper the fogging program, whatever its effectiveness may be, because it applies only on the street on which the objector lives. It has no effect whatsoever on adjacent streets on either side.

Therefore, Madam Speaker, the City of Winnipeg has traps where it has collected, or has been able to trap mosquitoes, and has indicated to us a week-and-a-half ago that the required number to set off this fogging program have been in there — (Interjection) —

MADAM SPEAKER: Order please.

HON. G. LECUYER: Madam Speaker, I am having a hard time answering the question because there is so much noise coming from the other side.

MADAM SPEAKER: Order, please. Answers to questions should be as brief as possible, should deal with the matter raised, and should not provoke debate. I am sure that the Honourable Member for Charleswood is about to ask a supplementary.

The Honourable Member for Charleswood.

MR. J. ERNST: You are most perceptive, Madam Speaker.

Given that the average wind velocity in Winnipeg, by Environment Canada, is 18 kilometres per hour, and the fact that the restriction in the licence has a maximum of 10 kilometres an hour, would the Minister give consideration to relaxing that particular restriction in the licence?

HON. G. LECUYER: Well, Madam Speaker — (Interjection) —

MADAM SPEAKER: Order please.

HON. G. LECUYER: As well as asking the questions, the members across would like to provide their own answer, Madam Speaker.

At this point in time, many people have been providing answers but I am sad to say, Madam Speaker, very few of them were anywhere close to the truth.

I will want to, in answer to that question, Madam Speaker, read from Paragraph 3, Page 14 of Dr. Ellis' report, in answer to that question. "Because wind speed and temperature affect both mosquito activity and the dispersal of the aerosol spray, they can have a pronounced effect on the effectiveness of the program. Fogging is carried out only when the wind speeds are less than 10 kilometres per hour and temperatures above 12 degrees centigrade."

Hunting, illegal

MADAM SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Madam Speaker.

My question is to the Minister of Natural Resources. I noted with interest that on June 2, a copy of the

Western Report for the Department of Natural Resources has indicated that the department has established a task force to look into illegal hunting.

Can the Minister indicate whether a task force has been established to look into the illegal hunting aspect?

MADAM SPEAKER: The Honourable Minister of Natural Resources.

HON. L. HARAPIAK: Madam Speaker, I am aware of considerable discussion by way of the news media that there was concern regarding illegal hunting. There was indication of varying opinions in those newspaper articles. I am not aware of the article that he refers to specifically, and to answer specifically whether the department has established a task force to look into that item, I would like to take that specifically as notice.

MADAM SPEAKER: May I remind the honourable member of Beausheue Citation 362, that it is the member's duty to ascertain the truth of any statement before he brings it to the attention of parliament.

Flooding - Ste. Rose

MADAM SPEAKER: The Honourable Member for Ste. Rose.

MR. G. CUMMINGS: Madam Speaker, my question is for the Minister of Government Services.

In the recent flooding this spring, the town and surrounding areas of Ste. Rose-McCreary received a considerable amount of damage to private property. The municipalities and the towns have not received what I would consider any definitive replies in their concerns about whether or not they would be eligible for assistance. In fact, Order-in-Council No. 523 establishes that they will inquire into damages.

Can the Minister at this time give assurances to these people, who are quite concerned about whether or not they in fact will be eligible?

MADAM SPEAKER: The Honourable Minister of Highways.

HON. J. PLOHMAN: Madam Speaker, I don't believe that that kind of concern is out there. I know that the municipalities and individuals are aware of the process that is in place and the program that is in place, and once the reports have been inspected and verified, the recommendations will be made by the Disaster Assistance Board to Cabinet for a compensation program.

We have stated that, clearly, the guidelines are in place. I have stated that in this House both for public sector damages and for private sector damages, the program has been established. It has been engaged in many different situations across this province. As soon as we have that information and the reports have been received, recommendations made, the compensation program will begin.

MADAM SPEAKER: The time for Oral Questions has expired.

Before we move to Orders of the Day, to facilitate question period in the future I would like to bring

members' attention to Beauchesne Citation 359 (7) "A question must adhere to the proprieties of the House, in terms of inferences, imputing motives or casting aspersions upon persons within the House or out of it."

I would trust that in future all members would bear that citation in mind.

COMMITTEE CHANGES

MADAM SPEAKER: The Honourable Member for Emerson.

MR. H. DRIEDGER: Madam Speaker, I would just like to announce a committee change on Public Accounts: Kovnats for Johnston.

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Thank you, Madam Speaker.

On a matter of House business, I understand that the Opposition has agreed that we will continue with the meeting of the Public Accounts Committee on Tuesday next, if required.

ORDERS OF THE DAY

ORDER FOR RETURN NO. 5

MADAM SPEAKER: The Honourable Member for Gladstone.

MRS. C. OLESON: Is it in order for me to do my Order for Return?

MADAM SPEAKER: Right, Orders for Return.

MRS. C. OLESON: Thank you.

I move, seconded by the Member for Brandon West, that an Order of the House do issue for the return of the following information:

1. The total number of employer applications for the Careerstart Program for the year 1985 showing:
 - a) name of employer;
 - b) type, description, salary and number of jobs required by each employer;
 - c) municipality or district in which the employer is applying for job assistance;
 - d) for each employer application, state an acceptance or rejection.
2. For all applications and jobs created by the Careerstart Program in 1985 specify:
 - a) the salary for each job including provincial and/or federal contributions;
 - b) the length of the job;
 - c) a description of the job;
 - d) the municipality or district in which the job takes place;
 - e) the employee's age.
3. The total cost of advertising spent on the Careerstart Program.
4. The total cost for each publication issued under the Careerstart Program.

5. The total number of employees employed on contract, or on term hired to administer the Careerstart Program:

- a) salaries of all employees;
- b) job descriptions and titles of all employees.

6. The number and location of regional offices and costs to the Careerstart Program:

- a) to lease, rent or buy office space;
- b) costs of office furniture, decorating and refurbishment.

7. Costs to rent, lease or buy cars for the Careerstart Program.

I would, with the permission of the House, move an amendment to that. Where it reads "1985" I would like to include "1983" and "1984" as well, if the House would accept that.

MADAM SPEAKER: Does the member have leave to make that amendment? (Leave)

The Honourable Government House Leader.

HON. J. COWAN: Yes, Madam Speaker. We are prepared to accept this Order for Return as amended. However, I do have to note that a considerable amount of time and considerable expense will be required in developing this information. We will undertake to do so as resources permit. Particularly with the amendment as suggested, it does add a bit to the time and expense and perhaps the House Leader and the member who put the Order for Return in and myself can discuss it at a further date to see if we can't expedite it a bit more. But for the purposes of the proceedings today, we will certainly accept the Order for Return.

MOTION presented and carried.

COMMITTEE CHANGES (Cont'd)

MADAM SPEAKER: The Honourable Member for Ellice.

MR. H. SMITH: Madam Speaker, I would just like to announce the composition of the Standing Committee on Public Accounts tomorrow: the Member for Kildonan is substituting for the Member for Ellice.

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: I move, seconded by the Attorney-General, that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Burrows in the Chair for Interim Supply.

COMMITTEE OF SUPPLY

SUPPLY — INTERIM SUPPLY

MR. CHAIRMAN, C. Santos: Order please. Interim Supply.

Resolved that a sum not exceeding \$1,403,091,560, being 40 percent of the total amount to be voted, be set out in the Main Estimates to be granted to Her Majesty for the fiscal year ending the 31st day of March, 1987.

The Member for Morris.

MR. C. MANNES: Mr. Chairman, I'm wondering if you might help not only myself but members opposite and tell us the procedure with respect to how this Interim Supply will proceed, the various stages. I'm wondering if you may tell us what our rights are as members to debate. I've only been here for five years.

MR. CHAIRMAN: Is the member talking about the entire procedure of the whole Supply or just the particular resolution?

MR. C. MANNES: The particular resolution leading to the bill and to the Committee of the Whole. I would like to know that process, Mr. Chairman.

MR. CHAIRMAN: The procedure is as follows: The resolution will be considered in the Committee of Supply, and then following the decision of the Committee of Supply, the resolution will be considered in the Committee of the Whole. It'll be considered by the Committee of Ways and Means. When it is considered by the Committee of Ways and Means, then the reading of the bill, the first and second reading, third reading in the Committee of the Whole House, as to second reading.

A MEMBER: Sorry, Mr. Chairman. Was he asking me something?

MR. CHAIRMAN: Let me repeat with the advice of the Clerk. The resolution will be considered in the Committee of Supply. Following the decision of the Committee of Supply, it will be considered by Ways and Means Committee. Then the bill will be considered by the Committee of the Whole House in the first reading and the second reading; it will be given first and second reading and then it will be considered by the Committee of the Whole House.

A MEMBER: That's by unanimous consent.

MR. CHAIRMAN: There was no reference to the timing. It depends on the circumstances. It could be done on the same day, first, second and third.

A MEMBER: By leave it could be done the same day.

MR. CHAIRMAN: Is the Member for Morris clear about the procedure?

MR. C. MANNES: Yes, Mr. Chairman.

MR. CHAIRMAN: The Chairman is also as clear as the Member for Morris.

MR. C. MANNES: Thank you very much, Mr. Chairman, for clarifying that for me. I certainly would have been unable to stand here and speak with any

confidence if you hadn't taken me through that explanation.

Mr. Chairman, there are a number of items that we on this side would like to discuss during the consideration of the resolution and no doubt they'll centre into three or four major areas. The one that I will deal with at this time is the area of transfer payments. I'm hoping that the Minister of Finance, after my presentation, will see fit to rise and cast a little bit of light if he can upon some of the questions that I may raise. Also, we'll be posing some questions with respect to education. Hopefully, the Minister of Education will see fit to remain in attendance this afternoon, and if he can provide the detailed answers to the questions, we'd be most appreciative. I think there are two or three other subjects too that we would like to cover at this time.

Mr. Chairman, members opposite have been pushing the Opposition for some period of time to join forces with them and fight, using their terms, Ottawa on the whole transfer of payments issue. Whether it is in attempting to, as the Minister of Finance did the Friday or Thursday preceding the Budget, asked for a commitment from the Opposition with respect to Bill C-96 in the House of Commons, or whether it's the jaunts, that fly back and forth, from members opposite with respect to where we stand on supposed cuts, with respect to transfer payments, members on this side have been bombarded by demands from the government to join them in their crusade to convince Ottawa that these cuts, in fact, have been imposed mercilessly upon us.

Mr. Chairman, we have access to numbers, of course, which do not always jibe with those presented by the government. I, therefore, would ask the Minister of Finance to enter into a discussion as to how the tax point transfers should be considered. It seems to me that the main reason that there is a difference in views as to what the Province of Manitoba receives in the form of transfers seems to focus into one specific area, that being the tax point transfer. I would ask the Minister of Finance, either today or some time soon, to provide members opposite with an opportunity to engage in a question-and-answer period with officials of his staff to allow that type of consideration to take place.

I would also ask the Minister of Finance and Education who is, I believe, just beginning to fall into the debate now — just tuned into the debate now — to begin to address the whole concern of equalization, also be prepared to tell us how it is they agree or disagree with Ottawa when it comes down to the separation of Established Programs Funding as between post secondary education and health. There seems to be a disagreement in the literature that I read at least, as to how the global figure that we receive under the EPF financing is split as between those two areas. Again, I would ask either one of the two Ministers to bring forward with their staff and allow for an opportunity to discuss in detail those types of questions.

Mr. Chairman, I'd also ask the Minister to tell us how it is that his government could allow a member of his back bench, specifically the Member for Kildonan, to bring forward a resolution which has as its second WHEREAS clause, this statement: "WHEREAS federal transfers have declined." I would like the Minister, either one of them, the Minister of Education or Finance, to

indicate to us whether or not in their view that statement is fully and totally accurate; because again, as I will indicate in further debate, Mr. Chairman, that all the evidence that has been supplied to us indicates that total transfers have not been decreased at all. As a matter of fact, they've increased substantially.

Mr. Chairman, I would like the Minister of Finance to tell us specifically what the principles were of the original EPF Program as brought forward by the Trudeau Government in 1977. What commitment to 50-50 sharing was in place then? What was ingrained within the legislation of that day to allow members opposite, indeed the Minister of Health, indeed many of the members, to make the claim that the Federal Government has pulled away from this sacred 50-50 cost-sharing.

I want to know where, indeed, it is ingrained within parliamentary statute and, hopefully the Minister of Finance will be able to show me, because I've looked at the way the program was introduced in 1977, and I can find no record, no understanding as to a 50-50 cost-sharing being locked in to the statute of the day. So, hopefully, again the Minister will take that comment as notice and have officials of his staff reply to it and, hopefully, the sooner the better.

Mr. Chairman, transfer payments, of course, in their global sense, are made up of around three or four different components. I would like to go through each and every one of those components in some detail so that from now on when members opposite or, indeed, members from our side are engaged in dialogue, engaged in debate either within this House or within a public platform outside of this Assembly, will be discussing the same concept, whether it's equalization, whether it's EPF, whether it's Canadian Assistance Plan or whether there are other programs, because to lump them all into one and then to make a statement that they're falling because, to be totally honest with you, Mr. Chairman, I'm well aware that equalization payments to the province will begin to drop in '87-88.

I'm well aware of that, but I don't think it does the argument and does the debate any justice whatsoever when members opposite begin to lump into, or begin to group, with the EPF argument or the equalization argument the other components of transfer payments. So I would propose that this Assembly move into some fair debate on that issue also.

Mr. Chairman, the Minister opposite, and indeed the First Minister and other members of the House, have challenged us to come forward with some commentary with respect to tax reform. As I indicated last night when I was in response to the Minister's speech, when he again challenged us to come forward, there will be opportunities ahead for us to make comment upon that and we will.

We've taken the liberty to read some of the material that the members like to quote on so many occasions, that they would indicate that they would like to see come forward in the area of tax reform. The members opposite are going to be pushing very specifically very detailed questions to the Minister and to the First Minister as to whether or not his government wants to see the changes in place.

The free trade issue, Mr. Chairman, is something which is different and yet tied completely into the whole question of revenues for this province. Up to this point

in time, our party has not seen any significant leadership at all being offered to the citizens of this province.

This Province of Manitoba is a trading province within a trading nation. There's no other jurisdiction that I can think of where such a high percentage of our gross provincial product and, indeed, our very standard of living is more determined, is more arrived at than through the trade issue and through the major trade that takes place.

We were disappointed yesterday when the First Minister laid before the House the total compendium of analyses that have been done with respect to all the enterprises and all the industries within this province - three, Mr. Chairman.

We note with interest the answers offered by the First Minister when we asked him who within the industries, which key people will be asked to make input, and he tells us to accept the fact that they'll be the same people that are on his summit, on his economic summit group, or however they're defined. Mr. Chairman, we cannot accept that. There has to be a greater openness by the government opposite telling us specifically how people that we represent, businesses that we represent, will have an opportunity to make input into this whole process which again I repeat is so vital to the interests of this province.

Mr. Chairman, I would hope that the Minister of Finance at this time would see fit to rise and to address some of those questions or make some indication as to whether or not he will, in the next short period of time, have in the House, or within some of the committee rooms, senior people in his department that can go into some detail into those questions.

Mr. Chairman, can you tell me whether we all have unlimited opportunity to speak on this resolution or whether indeed we have one chance.

MR. CHAIRMAN: Except for the Minister, who has unlimited time, the general limit is 30 minutes. Pardon me, the Minister has 60 minutes.

The Honourable Minister of Finance.

HON. E. KOSTYRA: Thank you, Mr. Chairman.

I'm pleased to rise to address issues that have been raised with respect to the Interim Supply Resolution, and I would hope that at some quick point we would be into the actual Interim Supply Bill because, as members are aware, this bill will subsume, the one introduced will subsume the Special Warrant that was passed that they criticized and said that the Legislature had no opportunity to deal with interim spending of the government because it was done by Special Warrant, and they had somehow suggested that was done in secret and it was a government that wasn't prepared to face the Legislature. The fact that we have agreed to bring forth an Interim Supply Bill indicates that we are prepared to allow that process to take place, so I would hope at some point soon we would be into the bill itself and deal with the Interim Supply Bill so that the Special Warrant that exists will no longer exist because that was a concern that members opposite expressed. I will speak specifically to the bill once, obviously, it comes in for second reading.

If I can deal with some of issues that the member raised, starting first on the issue of free trade, the

member indicates that he's concerned that the government has not provided for very clear direction on this issue and also indicates that he's concerned that the government will not consult with Manitobans. I think those comments are incorrect and I'll provide information as to how I believe those comments to be incorrect.

First of all, I certainly agree with the member that Manitoba is a trading province. We are a province that relies even much more than other provinces in Canada, because of our relative size, for trade outside of our boundaries. We have always taken a position that one has to increase opportunities for trade.

In fact, over the past number of years we have been one of the few provinces that have raised concerns at the federal-provincial level with respect to interprovincial barriers that exist within Canada, because while we're talking in terms of Canada-U.S. trade and we're talking about world trade, we don't even have free trade within our country right now.

There are many manufacturers, there are many businesses in Manitoba that cannot sell their goods elsewhere in Canada. There are many service industries, there are many construction companies that can't bid on contracts outside of Manitoba because of the barriers that some provinces in Canada have put up.

We've taken a very clear position that we're opposed to those kind of barriers being erected throughout Canada and we've taken that position on numerous occasions. It's only now, in the context of Canada-U.S. trade, where the U.S. is raising some of those concerns with respect to barriers that exist within Canada, that we really taking a serious look at it.

But the position of the Government of Manitoba with respect to Canada-U.S. trade has been very clear. We are in favour of entering into negotiations with the United States to look at a comprehensive bilateral trade agreement. Some referred to that as a free trade agreement, and I believe that nothing is free. One has to look at areas that would be contained in that agreement that would provide for a full free flow between the two countries and other areas that may have some restrictions or some gradual drawing down of restrictions or tariffs that exist at the present time.

But we have clearly gone on the record, Mr. Chairman, in favour of entering into a bilateral trade agreement with the United States. At the same time, we have not gone into those negotiations, into that process suggesting that it should be done at all costs or without looking at the impacts on Manitoba industry, both positive and negative.

We have also said that there has to be a recognition that there are going to be negative consequences to entering into that kind of new trade relation with the U.S. Then, we're going to have to have some kind of phase-in period for sectors that may be impacted negatively. We're going to have to have some kind of process for dealing with employees that may be thrown out of work or industries that need to be retooled or redirected as a result of entering into that kind of area.

We have also said that certain of the unique features of our country ought not to be put on the negotiating table, such things related to our health care system or our social network, such issues as unemployment insurance. I know people at times say well you're raising issues that are not relevant. Well they are relevant

because if you look at some of the disputes that have been ongoing between Canada and U.S. in terms of trade, such things as unemployment insurance have been raised by the Americans as areas of unfair competition or unfair subsidy to Canadians. That has taken place with respect to groundfish, as an example, in the Maritimes. So we have taken the position that those issues ought not to be put on the negotiating table.

We also said that certain unique features of our support system to agriculture ought not to be put on the negotiating table, such things as our stabilization programs or our marketing boards or our other common support systems for farmers. I think there is some general agreement on that from what I've heard from other people.

The difficulty you get into when you deal with areas like that where you could conceivably protect that and not put it on the negotiating table — and I'll use the poultry industry, by way of example. We could conceivably agree that area is not to be put on the negotiating table in terms of our system for poultry farmers in Canada but, the minute you allow for the processing end to be put on the negotiating table, the processors will tell you that they will not be able to compete effectively with the U.S. processors if the present system that is in place with respect to poultry farming exists in Canada and the U.S. has a different system. What will happen is that you'll lose all your processing industry, and the outlet for our Canadian farmers in that area will be lost. So you have to look at the integration and the impact between the basic commodity producer, in the case of the poultry farmer, and how it impacts on the poultry industry.

I guess the other major area that we've said cannot be put on the negotiating table is our cultural identity that manifests itself through our cultural industries.

Now if I could just turn for a moment on the specific area of concern that the member raised about the lack of consultation, there has been a great deal of consultation with Manitoba industries. It has been quite interesting actually, as we've gone through that process. Originally, we started off talking to the umbrella organizations like the Manitoba Chamber of Commerce, the Winnipeg Chamber of Commerce and the Canadian Manufacturers' Association.

We took a very basic, I guess, philosophical position, saying that we are in favour of free trade arrangement with the U.S., but we didn't stop there with our consultation. There was consultation with every single industry sector group in Manitoba, and we went through sector by sector and met with them directly to ask them their views. As we started doing that — I know the Member for Morris will be interested in this — the focus and the position started to change.

As an example, we met with the furniture manufacturers in the Province of Manitoba through their umbrella organization of furniture manufacturers in the three prairie provinces called Furniture West. They have taken a position in opposition to free trade. We met with the electronics association in Manitoba, which is the Organization of Electronic Manufacturers and related distributors and the like. Their position is that they are in favour of free trade and they would see some benefits.

We brought together not all of them, but a representative group of the food producers, food

processors in the Province of Manitoba. They don't have a formal organization, but we did bring together a group which included the large food processors in the province and some of the smaller ones. Their position is that they're not in favour of free trade, unless Canada is prepared to dismantle some of the stabilization and support programs for farmers — I made reference to that point a moment ago — because they believe that unless they are able to compete on the input side, on the price side, with their American counterparts, that they will not be able to compete effectively with the processed product. So that group said that they were basically opposed to free trade — and it wasn't a unanimous position — there was one processor there that was totally in favour of it.

We also met with the clothing industry and, again, that organization had not taken a formal position, however, their members were split on it. I met with the Manitoba Fashion Institute to get their views on free trade and they had split views. Some of them were in favour of it; others were opposed.

We also met with other trade organizations within the province, such as the Bankers' Association, such as organizations of the service sector, besides the overall umbrella organizations.

We also asked all of the national organizations that represent members in Manitoba, such as the Food Products Council and other such organizations, for their specific views.

We then also met with labour organizations and with farm organizations, including Keystone Agricultural Producers, and the National Farmers' Union, to get their views on the issue.

So there has been fairly extensive consultation with all of the organizations and I think, in total, there was close to 20 organizations of Manitoba businesses and other interest groups though, the predominant focus was on the industry organizations. There was a couple of farm organizations and a couple of labour organizations that were consulted but the majority of them were all of the various sector organizations in industry.

As I indicated at the start, it was interesting how the broad umbrella organizations, like the Chambers, took very basic positions in favour, go ahead, conclude an agreement as quickly as possible. But as you work into the various sector organizations and particular groupings of industries, their views changed somewhat where they were much more cautionary and indicated that we should look at it very carefully.

Another group of industries that was opposed to it was the brewing industry, saying that they were not in favour of a free trade agreement as has been developing. So there has been very far-ranging consultation that has gone into the development of the positions that the Government of Manitoba has put on the table.

The specific area that the Premier made reference to, in the ongoing consultation has been left to the Economic Advisory Council, which is made up of representatives appointed by the business organizations and labour organizations in the province. They have an ongoing consultative role in that regard.

So in response to his question on free trade and consultation, there has been far-ranging consultation, which I know is still continuing as we move along. In

fact, it was thought that as this thing would be an evolving process where there would be issues from time to time that would have to be dealt with, that there would be an ongoing role for government to look at responses from industry generally as negotiations continued, or specifically in areas of particular sector groups that may be impacted by one position or another in terms of the negotiations.

If I could turn to the issue of fair federal financing and deal with some of the issues that the member raised — and I obviously won't be able to deal with all of the detailed issues — but let me first say that we expect in the matter of a day or two, to invite all members of the Legislature to a briefing on issues related to Bill C-96, as I indicated at the time I spoke in the House on our telex that went to the Chairman of the Parliamentary Committee asking for extended national hearings on Bill C-96.

I would expect by tomorrow we will be able to indicate a date for that briefing of members of the Legislature on issues related to Bill C-96, where they can question and get information from staff. Obviously, there will be further occasions to have detailed discussions in here, whether it's through the formal Estimates of the Department of Finance when they are brought forward, or on other occasions. But there will be that opportunity.

Let me just deal with the broader issues of federal financing. The member has asked where the 50 percent funding formula has been enshrined in any kind of legislation. Honestly, without reviewing it, I don't believe it has been.

What I do know, that if one reviews the history of cooperative federalism in this country, and cooperation between the Federal and Provincial Governments, you will note that the funding for those specific areas such as health and post-secondary education, where at one time they were at the overall rate of 50 percent federal and 50 percent provincial, have dropped considerably to this point of time and as a result of increasing demands from those areas, health and higher education, and as a result of a reduction in the amount of federal funding that was planned for those areas — and this is where we get into the debating point over cutbacks but over what was planned — the share of the Federal Government's contribution to health and post-secondary education will decrease; that is, given an assumption that health care costs and education costs are not going to stay at present levels, that based on the projections and the needs that we see and others who have looked at it, including the Federal Government's Nielsen Task Force, indicate there is going to be considerable increase in demand. In fact, they project it as being higher than the growth in the GNP.

If that is true, then we are going to see, as a result of Bill C-96 and other decisions, that there is going to be an overall reduction of the Federal Government contribution in those areas and in other areas unless, of course, we see a reduction of the demands and we don't see that at the present time.

So I think we have to deal with the basic issue. Do we believe in areas like health and post-secondary education, that there should be a fair funding formula? We are suggesting that it should be 50 percent federal and 50 percent provincial in those areas. The Federal Government is taking the position that it shouldn't be

that, it should be something lower, and based on projections, it will be lower.

What I find difficult in terms of the present debate over Bill C-96 and the EPF formula, is that those changes are going to take place over a period of time, if we look at the present projections in terms of growth, so that once the impacts come people won't remember the debates today on Bill C-96, or the debate that has been going on for the past while, because that will be history, that will be a couple of years in the past. As members opposite know, and the Member for Morris knows, that people's memories are not that long when it comes to some of the issues that we debate on in this House, that people tend to forget them rather quickly; and that's a point we can debate sometime, as to whether or not that is good or bad, I guess that depends on what is the issue.

Well, I could argue that people have a very good memory because four out of the five last elections, they chose us on this side. So they must have a good memory as to the good things that this government has done. But I don't want to get into that or spark unnecessary debate because that wasn't my intention in making reference to that.

I think that is the kind of issue we should deal with. What do we believe is a fair formula? Do we believe that the Federal Government should be spending less money in terms of cooperation with the provinces? Because I would just ask the member that if we were dealing with it in another context, if we were dealing with it in terms of the relative share of support that the province should provide to municipalities or to school boards, there would be a very strong argument that we should maintain; and in the case of school boards there is certainly a move and a recognition by all members that we ought to be increasing the portion that is being paid for by the provincial system as against the school boards, or levied onto the local taxpayers. So I think that's kind of the basic issue in that regard.

I was curious in terms of the comment that the member made in terms of how he views it somewhat differently — I presume he is receiving information or statistics from the Federal Government — but I would just ask him, and I say this in all sincerity, to talk to some of the other provincial governments in Canada who have taken a position that is the same as the Government of Manitoba, other governments that are not of the same political persuasion as this government, but they have taken a position the same as this government. I have provided information in regard to some of those governments and what they've said, and we can certainly provide more.

I have just today received a copy of a telegram that I thought was quite significant, and it's to the Honourable Allan McKinnon, who is the chairperson of the parliamentary committee that is reviewing Bill C-96. This telex goes on to raise concerns about Bill C-96 and its impacts. It says: "We are advised that federal savings on education and health care contributions for the period fiscal 1986-87 to 1991-92 may reach \$8 billion." It is their view that: "This tremendous load will be transferred to the provinces already under heavy pressure on health care costs as well as to the voluntary sector." It finishes, if I could just conclude it. "A strong federal presence in Canada's health care is essential. We strongly urge that the federal share of health costs be maintained."

It's signed by the President of the Kidney Foundation of Canada, by the President of the Canadian Heart Foundation, by the President of the Canadian Lung Association and by the President of the Canadian Diabetics Association. Then there are copies that have gone to Federal Government officials and all the provincial Ministers of Finance and Health and a whole list of others. But there are national health care organizations — and these happen to be ones that have a very high concentration of volunteers in them — that are saying that they have concerns about the Federal Government's role in health care funding.

So I think that we should be dealing with that kind of basic question. Do we believe that there ought to be shared responsibility in this area? Given what we know about increasing demands in costs in this area, because of demographics and cost increases and those kinds of things, our aging population, do we believe and do we agree that there should be a reduction in the amount of percentage role played by the Federal Government?

I don't believe so. I believe, in order to maintain a strong national system, that the Federal Government has to maintain its role. It is important for Manitoba as a province that, on relative overall wealth, is still below the average of Canada. But I even say it's more important to the poorer provinces in Canada, such as those in the Maritimes.

The Newfoundland Government presented a paper on health care as they saw it, and they've raised serious concerns as to their ability to fund those costs and have put suggestions in there in terms of privatization and increased user fees and all kinds of other things which they don't agree with. That Conservative Government there doesn't agree with it but they recognize that, if this move on shared responsibility goes in the direction that it seems to be going, they're going to have to accept more of the responsibility.

So those are some of my responses to the areas. I think I touched on a couple of areas. I may have missed one or two that the member raised. I think we should be looking at the very basic question in terms of cost-shared funding with respect to health care. Do we believe that it's reasonable to expect that there should be a role of 50-50, or should it be 45-55? The fact is that it is decreasing and will continue to decrease more. I recognize what the member is saying that, yes, there is an increased flow of money but, if you put it relative to the overall increased costs in those areas, you'll see that the percentage is dropping. I think that's something that all Canadians are concerned about.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNES: Thank you, Mr. Chairman. Firstly, I thank the Minister for a detailed first response to some of the comments that I have made. I would like to rebut some of them, not for a long period of time but in quick passing, if I may.

Mr. Chairman, the Minister talks about the consultative process on the free-trade issue between this government and the various associations within the province who have a direct or an indirect interest in the free-trade issue. I would ask him whether he would show the members opposite the courtesy of

indicating, not today but over the period of the ensuing weeks and months, the total number of associations that will have a relevant interest within the issue within the Province of Manitoba, and an indication by way of checklist as to where they stand on the issue.

Quite obviously, Mr. Chairman, those of us in Opposition do not have quite the same opportunity to meet with all the associations that are obviously wanting to be part of this decision process. I, therefore, would hope that the Minister would expand upon the verbal process that he indicated today, whereby there are certain associations within the province with whom he has met that have indicated their support in concept to freer trade and those which have rejected outright any discussions within the area.

I think it would be a courtesy that certainly would be well-appreciated by us and one that, I think, would represent no threat whatsoever to the Provincial Government.

Mr. Chairman, the Minister talks about interprovincial barriers, and I can tell him I'm well aware of many of them that exist. I was involved first-hand in some of the ones that exist within the agricultural supply-managed areas, where every province holds steadfastly to its share of quota and, of course, wants to have more of potential growth markets if they indeed exist, and all the gyrations, economically and mathematically, that are brought to the table when any one province is trying to increase its share.

I guess I take some solace then in the Minister's answer that the province, at least from what he tells me, is trying to do what it can to break down the barriers wherever possible. So I can tell him that he certainly can expect support from those of us on this side who understand those issues and who recognize full well that, in many of these areas, Manitoba does have an historical comparative advantage and one that should not be bartered away. It should only be lost through the proper workings of the marketplace. I have so much faith in our producers in a whole host of areas that I do not see that occurring at all.

The cultural identity aspect of free trade, Mr. Chairman, I have no difficulty with. I always believed that, if a nation wants to fervently hold to whatever makes it a nation outside of the Constitution, laws and documentation are not going to guarantee it. It's the will and the desire of the people of that nation or that region. They ultimately will determine whether they want to maintain their cultural identities, maintain whatever it is that makes their nation different from any other.

With respect to the transfer payments issue and the fair funding formula that the Minister and the First Minister allude to whenever they are discussing the issue, Mr. Chairman, I find it strange that the members opposite do not recognize the reality of the Federal Government spending. That is that 25 to 28 percent of all the revenues collected federally, of course, are paid out in servicing the debt.

Now I take it that the theory, the thesis of the NDP provincially in Manitoba is that there isn't a shortage of money out there. There is plenty of untapped taxable revenue in place such that if tax reform comes about there will be plenty of monetary resources available for the Provincial Government by way of transfer from the Federal Government to meet all the demands placed upon government by those who want to have not only

to see maintained the health system we have now, but which will expand the areas of service which it provides to the citizens of the province and the nation.

Mr. Chairman, I must tell you that troubles me a little bit. I would like to believe it was true. I'd like to honestly believe that there were great degrees of wealth out there that are being missed now, which, if we all had the courage, regardless of whether we're provincial or federal politicians, regardless of what stripe we belong to, that we could change the tax system a little bit and go out and get it. Therefore, what would flow from that then would be adequate revenues to service all the needs within health and then post secondary education and a thousand other areas that people within our population would like to see government create more spending within.

Mr. Chairman, I don't believe it's that easy. I guess that's what makes me a Conservative. I don't think there are great masses or pools of wealth that are lying there that have missed government taxation capital. Now, my federal colleague, the Minister of Finance in Ottawa, was severely chastised when he made a comment — I can't remember whether it was off the cuff or whether it was offered in debate — when he said the problem with Canada is that we do not have enough millionaires. Of course, he paid in some sense for making that comment; of course, the NDP and the Liberals just wanted to jump all over him for making that type of statement, Mr. Chairman. I could see the political windfall to members of the Opposition when a member of the government, particularly the Minister of Finance, federally, makes that type of statement.

I see a large degree of truth within that type of statement, because if the members opposite are saying if there are large pools of untapped taxable revenue on one hand; secondly, believe that nobody should be a millionaire; or believe, thirdly, that there are many millionaires out there — many, many, which I don't believe there are — then if any of those three aren't correct, and they are going to push the nation and the great population into believing that tax reform will be the great salvation to all these problems, then, Mr. Chairman, little do they realize that who they will ultimately tax are the people that they believe that they're standing for on most occasions. I am talking about the middle, middle class, the lower middle class and, of course, the lower income people. They say that; I don't say that.

I believe our Party, in philosophy proven throughout the years, in all our actions, in many cases, stands more for the people that do not have the power of the marketplace at their disposal.

So, Mr. Chairman, I, today, am not going to convince members opposite that tax reform in itself is going to create the huge pools of money that they would covet in order to support increased funding and in spending within the areas of post secondary education and health.

So that's why I react a little — it's a philosophical discussion — to the Minister when he talks about fair funding formula. Because from where is the Federal Government to get this additional money when today they're paying 25 to 30 percent of what they do receive in support of the debt, debt servicing? And that's why I posed the question the other night when I was debating. At what level should this province allow its debt servicing increases? To which level should they

allow our debt servicing level to increase? Is 25 percent the level, given that that's what it is in the Federal Government? Because the taxpayer is the same.

If the Federal Government is hollering that all the Federal Government is doing is offloading part of their responsibility, which is not enshrined in statute, if all they're doing is unloading part of that responsibility of the province — and we have many constituents who are property taxpayers within local municipalities, local school divisions who are saying that the Provincial Government is doing the very same thing to them, offloading part of their responsibility onto the local municipal ratepayer, Mr. Chairman — for the members opposite to even try and convince anybody that that isn't the same taxpayer, is doing a terrible injustice to the whole system of taxation and to representation by population — democracy as we know it.

That's why, I guess, I will not accept personally, I will not accept at face value the arguments and certainly the numbers provided to me by the Minister of Finance. That's why, I suppose, over the ensuing months I have proposed, and he's agreed to, to allow us an opportunity to move into greater in-depth discussions and questioning within this whole area of transfer payments. I thank him for that.

So, Mr. Chairman, I realize there's a philosophical difference. The members opposite can say, oh, you're just apologizing for the Federal Government, you're just taking their view. Well, quite honestly, the reality today, nobody at any time really gains an awful lot by taking in a hard fashion the support, or wishing to support, the Federal Government. So let's put that theory to rest certainly with respect to the comments that I offer personally.

Now, the Minister of Finance talks about 50-50 sharing, and he indicates that true, it was never enshrined in statute, but he says, surely, we should be able to, as a nation, between provinces and between the Federal Government, come to some type of accommodation, some type of an agreement as to what each share should be. I don't argue with that; there is nothing better. I don't care if you're playing the game of politics, I don't care if you're playing baseball; there's nothing better than having rules which you know have existed for some period of time and will continue to exist for some period of time. I have no difficulty with that, Mr. Chairman.

But what happens when all these extra needs and demands come about? And Government of the Day just assumes that, because we're politically elected, we have to allow them to continue to come forward, we have to make appropriations in support of them and we also, therefore, have to find money; either we tax for it or we borrow for it.

Mr. Chairman, I see no attempt, very little attempt on the cost side. Never does the Minister or does this government in particular — and I particularly saw it in the area of education where Dr. Nicholls did a report looking at the costing of education — nowhere through that report was an assumption ever made, or maybe the terms of reference were never given to him such that he could look at the cost side of providing education.

We have in our midst, I believe, that whatever the total global figure is spent on health today, and if the cost of inflation goes up by this much, well then

obviously the global figure has to increase by that much and more.

If that's going to be our attitude, if that's how we are going to make decisions federally or provincially, within the Executive Councils of government, Mr. Chairman, then obviously we always will be in a problem, because, I don't care who's in government and I don't care what the system of government is, anywhere in this world, you cannot give more to the people than the people can produce.

When I see a total abstinence, from looking at the cost side of providing services, a total unwillingness, then, Mr. Chairman, I realize that any government, any political party is going to have difficulty. I daresay to the members opposite, I have never seen anything, in five Budgets that have been presented to me since I've been a member of this House, whereby there has been a willingness to look into the costs of providing health and education and all those areas that every person within this province deems to see maintained and expanded and increased wherever possible.

So, Mr. Chairman, I don't want to certainly go on beyond my welcome, but I just thought I would offer those few remarks in rebuttal to what the Minister had to say.

HON. E. KOSTYRA: I was particularly interested in the member's last comments in terms of the costs and the increase in the Budget on areas like health and education because, as I recall — and I don't have it in front of me, because it's in my office — the document that his party presented during the election campaign on a Sunday indicated that they would see spending at levels that were basically the same as ours.

Now, I know that the Member for Morris had little input into that document — I'm told it was more a development of policy people, rather than caucus people — but that document indicated spending levels which were basically the same that we have. We had the discussion last night in terms of the kind of things that were put forward by members opposite and what impact they would have on spending, but there was no clear position in the election campaign that they were going to reduce spending or even keep it down. They were going to spend as much — in fact, if you look at the area of education — I think actually more than what we had presented in the Budget, because our overall spending Estimates for education are 5.1 percent. I think his party had suggested over 6 percent. So I don't quite understand that contradiction.

I certainly agree with him that we all have to look at how we can be more efficient in terms of delivery of services in critical areas of health and education because, particularly in the area of health, the demands are increasing. People want and need those services, and in cases want to have even better services or enriched services. If we, as a society, want to continue to improve our overall health as a nation, then we're going to have to look at how we deal with those increasing demands and there are going to have to be efficiencies put into the system.

But we saw the position of members opposite in regard to those areas, because there are members who raised concerns about the closing of the obstetric wards in the Seven Oaks Hospital, which is a hospital that

services my area of the city, but I recognized that, even though we would like to have that service in the hospital in my area — and I know, Mr. Chairman, you agree with me because it's a hospital that serves constituents of your area — we recognized that, in terms of trying to have efficiencies in the system, we were going to have to rationalize some of those services in the City of Winnipeg, but we were criticized at the time when we did it. We were criticized even recently during the Budget Debate for doing that, so when we deal with those issues and deal with efficiencies in the system, we're criticized.

In terms of the issue of EPF — and I don't want to belabour this issue further, but I just want to make some references from a document called "The Green Paper on Health Care System Expenditures and Funding," issued by the Government of Newfoundland. I would sincerely suggest that the member read this document, in fact, all members. In fact, maybe I'll take the trouble of getting it reproduced for all members to read, because it's got some, I think, very telling arguments in terms of what is happening.

I just want to quote a couple of them. One, and this is right in the introduction of this paper from the Government of Newfoundland. It is referring to the problems of providing health care services in Newfoundland. It says: "They are made more acute by the decline in the growth rate of federal Established Program Financing (EPF) contributions to health care, as well as post-secondary education."

If you get into the document, and it goes through the whole range of ways of dealing with that problem and the overall problems of health care, but they go into just documenting some of the actual impacts. It says in Table A-2 on Page 23 of that document: "This federal restraint initiative . . ." — and these are not my words. These are not my adjectives; these are words of a Conservative Government describing the same kind of thing that the members suggest here — when I raise it, I'm fed-bashing — but these are their terms, saying that: "This federal restraint initiative entails an estimated annual reduction in the province's," being Newfoundland, "EPF entitlement of \$46 million by 1991. The cumulative EPF losses over the period, 1986-91, will cost the Province of Newfoundland \$128 million." So they're raising the exact same concerns we are in this area.

The member suggests, how is the Federal Government going to deal with its deficit problem? Well I agree that the federal deficit has to be dealt with, as I agree the ongoing deficit of the Province of Manitoba has to be dealt with. That certainly is going to be something that, over the mid-term, you are going to see a significant action on. But I guess it's a question of priorities, in terms of dealing with that. How do you deal with that? Where do you cut back? What areas do you look for additional revenue, or what areas do you reduce expenditures?

The Federal Government, by its policies, have said that they are going to reduce funding, or growth in funding, so I can be more accurate, and reduce their commitments, the Federal Minister of Finance said, by \$2 billion by 1991 in the area of support to health and post-secondary education. There are other areas of federal spending that are growing. There are other areas that, I think, they could look at if their focus is to reduce the deficit by a specific amount.

But I say they've got their priorities wrong when they're looking at areas like that to make the reductions, and there are other areas where there is either growth or little inclination to make reduction and there have been examples of those kinds of areas in the past. The overall area of dealing with tax reform is another where there could be significant improvement in the revenues that could deal with, in part, the deficit problem.

But there are also other areas of Federal Government spending that I suggest, from where I come from, are of lower priority than cutting it out of health and post-secondary education, areas like defence, other areas of assistance. They seem to have no trouble finding the kind of money that was needed to deal with the bank situation, but they can't find it for health care. I know those are hard decisions to make, but I say that the priorities are upside down.

Just a brief comment in terms of tax reform, I believe that there are significant differences between the way we approach the issue and the way members opposite approach the issue. I think that generally Manitobans will be prepared to look at paying their fair share and, indeed, even paying an increased share for services such as health care, and also to ensure that the deficit is brought under control but, if it's not done in a fair way, I don't think anybody would agree to that. If you look at the tax system right now, different classes of income are taxed differently. Investment income is taxed totally different than so-called labouring income.

So there are areas there that can be dealt with, and I certainly intend, and this government intends, to continue raising those issues in the national forum and we intend to have a very, very close look at what could be done within the provincial context to deal with the areas of taxes that we have control of and where we can provide for greater progress in terms of its application for Manitobans.

I think I've touched on a couple of areas that the member has spoken on. As I indicated, I will make copies of the Green Paper from Newfoundland so that all members will have the opportunity of pursuing it if they choose.

MR. CHAIRMAN: The Member for Kirkfield Park.

MRS. G. HAMMOND: Thank you, Mr. Chairperson.

I would like to address some comments and hopefully we will get some answers from the Minister of Education on the funding formula, and I would specifically aim it to the St. James-Assiniboia School Division.

When I asked a question in the House — and I know I have spoken of this issue before about the funding formula that actually St. James does not come under — the Minister made the comment that the education program is based primarily on a very simple formula, on a simple principle, that if divisions take the initiative and are spending additional money, then clearly additional provincial support is warranted in most circumstances.

Mr. Chairman, I find that an extraordinary statement for a Minister to make and I find it an extraordinary area, that the government would base a formula on the more you spend, the more you get. I think that it certainly flies in the face of what most of us would consider to be good spending practices.

I want to go back to 1982 when the former Minister of Education, who was dissatisfied with the formula that was in place by the former government, asked Mr. Glenn Nicholls to have a study, a review of the education finance. It was a thorough review. I sat in committee as a number of our members did, and listened to, I think, every segment. Every division, I think, made presentation to it. Every school parent organization; MAST; the Manitoba Association of School Superintendents; the Manitoba Teachers Society; everyone made presentations. It was a very thorough review.

Part of the review was to examine longstanding inequities, as well as current problems due to declining enrolment. What we ended up with was a thorough review, a thorough report from the Assistant Deputy Minister, Mr. Glen Nicholls. However, the formula was based on ad hoc. What has happened is that St. James, I think, is one of a third of the divisions that do not fall under the current formula. In other words, in 1985, they were grandfathered; their funding was grandfathered. In 1986, their funding was grandfathered again and they had a 1 percent increase, which they consider is a bandage approach.

Under the GSE weighting factor for salary classification and years of experience, Dr. Nicholls recognized that aging staff costs in some divisions, and especially those with declining enrolment, were significant.

In St. James-Assiniboia, the 1985 teacher's salary — this is the average — was \$37,339.00. The provincial average teacher's salary was \$34,351, which was a salary differential of \$2,988.00.

Now, the average salary differential for principals and vice-principals is \$4,074, and there is a situation that's dealing with the non-teaching and support staff areas, the aging staff costs of the St. James-Assiniboia School Division are compounded and bring a significant financial burden to our division, as well as other divisions with declining enrolment.

The GSE weighting factor for salary classification and years of experience has no effect on the funding to St. James-Assiniboia. When you consider that this factor was supposedly designed to assist divisions with senior staff and declining enrolment, the formula provides absolutely zero in additional funds, since the division's maximum support exceeds eligible block support.

I am referring in these notes to a brief that was made to the former Minister and probably will be made again to the present Minister.

By exercising Budget restraint, and I have mentioned this time and time again, as the former Minister well knows, that in St. James, they were able to limit expenditure increases to 1.23 percent in 1985, and 2.23 percent in 1986. However, no increase in block support was received in 1985 and only a 1 percent increase was received for 1986, which resulted in a provincial funding cut of 2.46 percent that had to be passed on to the local ratepayers through the special levy.

The Minister, when I asked him the question about bringing St. James under the funding formula, mentioned that we hear members opposite telling us, through the Throne Speech and in questions, or asking us during question period, to spend more money. I'm not asking the Minister to spend one penny more. What

I am asking him is to share it on a more equitable basis. He doesn't have to spend more money to do that. What he has to do is take a look at what the formula was meant to do, and that is help divisions with declining enrolment, and it doesn't help St. James one iota. In fact, it hurts.

By granting the 1986 minimum funding, which was 1985 percentage plus 1 percent, the Minister does not address the continuing problem of declining enrolment.

The division, and I say this again, has made a dedicated effort to downsize the division staffing levels and physical plant. I might mention, as I did in the question period, but you don't have the same amount of time, that the enrolment in St. James since 1979 has declined 35 percent and it is still declining. Our division was the first to go into a decline and it is still in a decline.

They reduced staff by 26 percent, mainly through attrition and through an early retirement program. I think that St. James was probably one of the first divisions to bring in an early retirement program so that they would encourage their teachers, principals and staff to retire early and thereby we'd be able to hire, in some cases, younger teachers or not be hiring at all, which was in most of the cases, but where you were hiring, you were hiring at a lower salary and giving younger teachers an opportunity to come into the division.

When I was on the board in '77 to '80, we brought in a model energy conservation program and I know that the government used it at the time. I think Hydro took that program and used it and I think the government used it as a model. That creates a saving of \$342,000 annually to the division. That's no small number. The staff, the people on maintenance, they all had to go and take courses; they had to know what their plant was doing. I don't think it probably was on computer at the time but it was done in such a way that we saved megabucks. That's a lot of money for a division to save every year on energy conservation.

By June of this year we'll have closed nine schools. We were doing this sort of thing so that we could preserve in St. James-Assiniboia, and the school board is doing it now to improve the quality of education in our division. What happens, we had the former Minister suggesting that we cut programs. How far does the division have to go to get some equitable treatment? It certainly hasn't from this government; and I suggest that the Minister not just listen to what has happened before and think it's all right, because it's not all right. There are other divisions that are in the same bind, but I think that the Minister, if he takes a look, he'll see the unfairness of the position that was taken before and bring St. James into a better funding position.

If they had utilized the 1986 formula the way it sits now, a 2.23 percent increase in funding from the province in 1986, could only have been realized by increasing the 1985 Supportable Expenditures by \$7 million, and increasing the special levy to 29 mills. Now that's an extraordinary sum to ask a board to spend so that they can come under the formula. Who can afford that sort of nonsense?

I really feel that it's time the Minister took a good look. I would say, a new broom sweeps clean, and this is the time to do it.

Further to what has happened in St. James, the Minister's guidelines for disposal of surplus buildings

indicates that divisions can, with the approval of the Minister, lease surplus school space. It was anticipated that these revenues would be utilized by the division.

In other words, we're closing schools, we can use the money when we lease the schools to help pay for the closures and help pay for our education, for any new programs or just to continue and enhance programs, and that's in the special needs area or any area that you wish to mention; but instead, the guidelines, the requirements in '86 on the '85 formula, the GSE reduces the division's block grants by 71.8 percent of any gross revenues received. So the division is essentially penalized for saving money, penalized for closing schools, and now they're suggesting maybe it would be a good idea to mothball the buildings and hand them over to the Provincial Government. You might as well have the costs. Why should the taxpayers of St. James-Assiniboia be penalized over and over again?

I believe that in the Minister's answer to my question about bringing St. James under the formula to address the continuing problem of declining enrolment, I think he gave a very simple answer to what is probably a bit of a complex question. I don't doubt that for one minute. We're not asking the Minister to spend more money. What we're asking is that the Minister divvy the money in a more equitable fashion among all the divisions. Don't penalize the divisions who try to save money. That just encourages wild spending. It's insupportable and I would ask the Minister if he could give the reasoning for this type of funding.

Possibly he's too new to it to understand what's happened, but I think time and time and time again you're going to get presentations from divisions that are in this same type of cost squeeze. I don't doubt that for one minute, but surely you can have a formula that brings everybody under the formula. If St. James isn't grandfathered every year, they're falling further and further behind.

What happens if one year they go to the Minister and he says that's it. You can imagine what their mill increase is going to be. It's just not going to be supportable at all and there's going to be an uprising in our division, as well as others. So I think the Minister has got a pretty big problem on his hands to bring the divisions back under a formula that we can all live with, and I know he's going to take this into consideration.

I hope that he won't say, well, it was great for the former Minister and it sounded like a good idea and we'll just leave it. I would hope that he would do something and make some effort to look at the divisions which have had a decline and are still having a decline.

I would ask the Minister to, instead of telling us that it's a very simple formula on a simple principle, if divisions take the initiative and are spending additional money, then clearly additional provincial support is warranted in most circumstances. I don't think that's an adequate answer and I don't think it's an answer that, if the Minister really thought about it, that he would consider is anything anyone, either in their home life or in business, would adhere to. It doesn't make sense.

MR. CHAIRMAN: The Honourable Minister of Education.

HON. J. STORIE: Mr. Chairperson, just in reply to some of the comments that were made by the Member for

. . . well, first by the Member for Morris and secondly by the Member for Kirkfield Park.

The Member for Morris, I think, was making a very important point somewhat earlier in this afternoon's proceedings when he talked about the need for a sharing of information and coming to grips with some of the very real problems that we face in terms of providing support to education, post-secondary education and health in the province; and the question of cash transfers and support transfers from the Federal Government.

I can inform members opposite that I will be endeavouring to provide members opposite with an opportunity to learn more about the real situation and to come to grips, perhaps come to a better understanding of the dilemma that we face as a province, and it is a real dilemma. So I'm serving notice at this point that members opposite will have an opportunity — all members of the House will have an opportunity — to receive information in an unbiased and non-partisan way, and I will be making a further announcement on that.

With respect to the issues raised by the Member for Kirkfield Park, certainly there are no simple answers to the question of declining enrolment. It does create a problem. How do you downsize an appropriate way? It creates a problem for staff. Obviously it creates a dilemma for parents as they see the specter of schools closing in their particular areas. It is something, as I have mentioned before, that has happened in the province and will happen as populations shift within communities and within the province. So it's not something that I think the province can forestall. It's a fact of life and something that school boards are dealing with now as best they can.

The member raises the question about whether the formula is distributing provincial support in an appropriate way. I point out and she comments on whether a formula that works in part — and I emphasize that it's only in part — on the basis that the supportable expenditures of school divisions should be a part of the formula used in provincial funding.

Clearly, Mr. Chairman, the school boards, the administration in those school boards, are introducing programs; funding is being increased on the basis of needs, serving needs in their particular communities.

The member also recognizes that it is not solely the Provincial Government, nor provincial revenue which supports educational initiatives. Clearly, local taxpayers by virtue of their contribution to support to education through special levies, are also making a commitment. I think that is understood. So when I say, as the member has quoted me as saying, that the province, I think, has a responsibility to acknowledge the initiatives taken by a school division by way of providing additional funding, I think that makes sense; because we know and school boards know, when they take those initiatives, it's not only the province that is making the commitment. Local taxpayers are making a commitment. They are making a commitment on behalf of local ratepayers and that's the fact of the matter.

Second, how do you deal with the question of distribution? The Member for Kildonan and the Member for Kirkfield Park would have us believe that the only determinant is the amount of provincial support that is provided. That's the only question that needs to be

raised with respect to equalization, with respect to distributing the costs of education across our society.

Mr. Chairman, the fact of the matter is, that St. James-Assiniboia has had relatively small increases in their operating fund expenditures. It is also true that the provincial contribution to provincial support has been small. It is also true and important to acknowledge, that in terms of the provincial average, the mill rate in St. James-Assiniboia is substantially lower than the provincial average — (Interjection) — pardon me?

MR. H. ENNS: That's because of their good management.

HON. J. STORIE: Mr. Chairman, the Member for Morris and the Member for Lakeside suggest that's none of our business. It reflects a reality in Manitoba that members opposite should be aware of. The distribution and the ability of local school divisions to . . . Mr. Chairman, the point I am making is that school divisions have varying abilities to raise monies, varying abilities, and that is in fact reflected in the mill rates.

Mr. Chairman, we believe that part of the mandate, and school boards by and large, the Manitoba Association of School Trustees, I believe support in principle the idea of equalization. The mill rate in St. James-Assiniboia, as I was saying, is substantially lower than the provincial average of 52.1 - I'm talking about special levy, Madam Speaker — I'm still saying, Madam Speaker, I'm so used to saying that. I'm not used to being in committee, Mr. Chairman.

However, that begs the question of whether in fact we are going to be able to find a formula which can meet all of the individual requirements, and I'll give you a small example.

I met recently with a school board, a group of trustees, the chairperson of the school division who received substantial increase by way of provincial support in 1986 — over 10 percent — and I make the point to the Member for Kirkfield Park that they felt they hadn't been treated fairly; that, in fact, they had special needs and exceptional circumstances which warranted funding beyond the 10 percent which was provided. So for the member to suggest that if I met with school boards, that there are a few of them out there who have been treated in some manner which is in keeping with the principle of fairness, I suggest to members opposite and to that member in particular, that there is no school board out there who doesn't feel that they had needs that aren't being met, that they don't have funding requirements that aren't being met, that their local ratepayers aren't already heavily burdened by the special levy mill rate. So, you know, I've made the point before. There is no simple answer for this.

The member opposite knows that under the established Education Support Program, St. James-Assiniboia would not have been better off. In fact, what they have received is ESP plus 1 percent. So there is no simple formula. I'm telling the member that. That I cannot account, nor can a single formula in a province that's as diverse as this province account for all of the anomalies, and there are anomalies in the situation that St. James faces. The anomalies have been pointed out by the Member for Kirkfield Park and those are: 1. declining enrolment; 2. an aging teacher population,

which is both a problem and a benefit. So divisions obviously have to adapt to the formula that is in place whether it is in keeping with meeting all of their needs or not.

I have not heard complaints or as many expressions of concern — (Interjection) — I repeat, Mr. Chairman, I have not had concerns expressed to me from those school divisions which receive 6 or 8 percent increase on average. Some divisions out there believe that they are being treated relatively fairly. Clearly those divisions which have not had the majority of their needs met from provincial revenues feel that they are not being treated fairly.

Mr. Chairman, if I felt that there was a simple solution to the problems raised by members opposite, I would be the first one addressing them in this Session and over the coming months. The fact is, Mr. Chairman, that the previous funding formula, ESP, had significant shortcomings. Those were made known by many school divisions in terms of the base that they established for funding. There are some problems with the government support to education programs, but we have to address those problems in a flexible manner. I think the previous Minister and certainly I am prepared to meet with any school division to look at their exceptional circumstances and to try and address them.

I am also prepared at any time to introduce a funding formula which is more fair. Unfortunately, despite the best efforts of some of the people in the Department of Education and some of the best minds from the Manitoba Association of School Trustees and the Manitoba Teachers' Society, no magic, no panacea has been found. Certainly, if some member opposite wants to come forward with a solution which doesn't include, as the Member for Kirkfield Park suggests isn't necessarily to be included, more funding, then I'd be more than happy to receive it.

Thank you, Mr. Chairperson.

MR. CHAIRMAN: The Member for Kirkfield Park. We are nearing Private Members' Hour.

MRS. G. HAMMOND: I just wanted to say that I feel that the Minister, Mr. Chairman, has taken the declining enrolment far too lightly. He's treating it far too lightly; it is a fact of life. But I think the former Minister was often saying the decline is ending; that isn't so, and I think maybe that was one of the things that happened in the formula.

The other thing, I can see what's going to happen to St. James and divisions like St. James. Because our mill rate is the lowest, substantially lower, I have the feeling that the Minister has his eye on our special levy, and rather than keeping his eye on what actually happens, if our division chooses to save its taxpayers money, surely that should be the right without the formula affecting it. If we choose to close schools where other divisions haven't, and have other areas of cost savings, surely, that shouldn't penalize our taxpayers. That's what's happened here.

When I read what the Minister has just said, and I think when people in the division read what he said; in other words, they are keeping an eye on our special levy, I think that is wrong, wrong, wrong and I think it's time the Minister paid attention to the part of the

formula that he should be dealing with and not the part that the school divisions are levying on their taxpayers.

MR. CHAIRMAN: The hour is now 4:30 p.m., and it's time for Private Members' Hour.
Committee rise. Call in the Speaker.

IN SESSION

The committee of supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

MADAM SPEAKER: The Honourable Member for Burrows.

MR. C. SANTOS: I move, seconded by the Honourable Member for Inkster, that the report of the committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' HOUR RES. NO. 1 - RETENTION OF PSYCHIATRIC SCHOOL OF NURSING

MADAM SPEAKER: Proposed Resolutions — the Honourable Member for Portage la Prairie.

MR. E. CONNERY: Thank you, Madam Speaker.

I move, seconded by the Member for Pembina,
WHEREAS the Minister of Community Services has ordered the closing of the Psychiatric School of Nursing at the Manitoba Development Centre in Portage la Prairie at the end of this semester, and;

WHEREAS the people of Manitoba believe the well-being and future quality of life of the mentally retarded residents of Manitoba will be severely restricted for the following reasons:

1. The MDC School of Nursing is unique in North America.
2. The MDC treat the mentally retarded. Brandon and Selkirk treat the mentally ill.
3. By closing the school, students will lose their "hands on" experience.
4. If students are trained elsewhere, Portage will not attract the most qualified graduates.
5. It is difficult to attract staff to the MDC if they are not trained there.
6. Poor training may result in patient abuse.
7. With the increasing life span of the mentally retarded, there will be a steady or increasing requirement for psychiatric graduates.
8. The quality of the students and the quality of training at the MDC is reflected in the attrition rates. Between 1977 and 1984, Selkirk had an attrition rate of 35 percent and only 14.5 percent at the MDC.
9. Graduates from the MDC are excellent in academic achievement.
10. It is doubtful if Brandon and Selkirk can graduate an adequate number of students to fill the demands of the future.

11. There will be no financial saving by closing the school.

THEREFORE BE IT RESOLVED that the government consider retaining the Psychiatric School of Nursing at the Manitoba Development Centre.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Portage la Prairie.

MR. E. CONNERY: Madam Speaker, I think it's important that we review, and I know we've had a lot of discussion on the Manitoba Development Centre in Portage over both of my speeches and other questions in the House, but I think it's important enough that we go through the resolution in point form, and then I have some other points I would like to make.

We mentioned before that the MDC School of Nursing is unique in North America and, Madam Speaker, it truly is. There is no other facility that is around to give the sort of education that the mentally retarded get at the MDC.

Madam Speaker, it's important to know that the MDC is a school of nursing for the mentally retarded, and Brandon and Selkirk treat the mentally ill. It makes one wonder why, when we have two other facilities treating the mentally ill, we would close the only one where we have training for the mentally retarded. It's inconceivable but, as we said before, we know the political stripe of the Members for Brandon and Selkirk, and, when you put those together, it's kind of obvious as to why Portage would be closed.

I can assure you, Madam Speaker, the experience that the people in Portage have had with this closure, they're not likely to get a smell in Portage for an awfully long time.

In No. 3, it mentions the closing, they will lose their "hands on" experience, and I would hope some of the members opposite would try to understand a little bit what "hands on" experience is. If you're not working with the mentally retarded, as compared to the mentally ill, it is very difficult for somebody just to go in and be comfortable working with the mentally retarded.

If they are trained at the Manitoba Development Centre, they learn to be comfortable with the mentally retarded. They see them as people, and they can understand them and they love them, and they're comfortable working with them. But we have a hard time bringing the students in, as in No. 4, from elsewhere. They're reluctant to come from Brandon and Selkirk and they make no point about that; they're not comfortable, so they're not willing to come.

When they're not trained in Portage la Prairie, we find that the really highly qualified people will not come to Portage, they'll go elsewhere, and Portage would then get the lesser of the graduates, which I hope wouldn't be bad, but they're not getting the cream of the crop.

In talking with many, many people, Madam Speaker, it's obvious that poor training — and I say "may" because we hope none of it ever does happen — but there's always the potential for patient abuse if you don't fully understand mental retardation.

Mental retardation is very different from mental illness, and people who think they can very quickly

learn mental retardation and understand the people are wrong. This can sometimes end up in frustration of the employee and end up in patient abuse.

Also, Madam Speaker, with the increasing life span of the mentally retarded, it's acknowledged now that there is going to be a need for geriatric mental retardation in the future. I believe, if I'm not mistaken, that there is something in the process of being built at Brandon, I'm told; I don't know. I haven't had this verified, Madam Speaker, but I am told that there is a geriatric facility either on the drawing boards or planned. I don't know if that is true. But I've been told that Brandon, that there is a plan, and I don't know why, if it's a geriatric for mental retardation, why it wouldn't be at Portage where they have the facility and the knowledge.

The quality of the students in training at the MDC, Madam Speaker, we mentioned that it was reflected in the attrition rates, but it also has been accepted by the residents — the students at Portage, because of the numbers, have much better training and are in the final results and comparing with Brandon and Selkirk are in the higher level of academic achievement.

Also, with those attrition rates, Madam Speaker, there is some great concern as to whether there can be an adequate number of students to be graduated. We see the attrition rates at Brandon and Selkirk and they are very high. They haven't yet turned out the numbers that they have forecast to turn out. We feel this will not happen and there will be a shortage of proper psychiatric training.

Madam Speaker, all of the efforts I have made to understand the situation with the closing of the Manitoba School and having to bring students back from Brandon and Selkirk for short periods of time for orientation at the Portage MDC, it's not going to be a net saving, because they're going to have to put up students in commercial facilities. They have to bring the teachers with them from these residences at Brandon and Selkirk. So, therefore, there won't be any net saving to the province by closing the school.

Madam Speaker, when I made my first speech, I said I would devote my total time and energy to being an MLA. I've been working on this issue, not since the time I've been elected as the MLA for Portage, but for some time prior to that; in fact, for well over a year I have been spending many hours talking to people who really understand mental retardation. I woke up one morning just worrying about it, about 4 o'clock, and trying to conceive in my mind how I could convince a few members opposite that there really is a problem with the mentally retarded and how would I ever convince a few that they should maybe side with us and support the mentally retarded people.

I don't understand the Minister of Community Services. I mentioned that earlier. I would hope that she is a caring person, but I also see that she has aligned herself with a group of people who are not experts, but I can't question whether or not they got their certificates out of a Cracker Jack box, but they're sure not the well-trained professional people in the mental retardation field. She has one group and she refuses to talk to the other side.

We had a demonstration on the front steps, and we had a gentleman by the name of Doug Dorsey speaking to the group. The Minister also spoke, and while she

was speaking, he just shook his head and he said, she just will not listen to anybody else except those who agree with her line of thinking. I know some of those people; they are not people who have children who are retarded or a family that is retarded or have ever worked in the School of Retardation. They are just people who have some sort of little idea, and I think they've got the idea that they are going to be the ones who will eliminate institutions in Manitoba and they'll go down in history with some sort of — I would call it a blemish beside their name; I wouldn't call it anything to be proud of. But they haven't consulted the people.

You go to the Manitoba School and you talk to the people involved in the School of Nursing. Of course, you would say, well, they've got a bias, naturally, because they are the teachers. But then you talk to the students who have gone through the course and you talk to workers there that haven't taken the course but are just floor workers, just helping in the school and they all say that the program is stupid to be closed. They just can't perceive how a caring Minister would close that school.

I'm sure if the members opposite understood the facts — and I would make you an offer — that if some members opposite wanted to see first-hand the School of Mental Retardation at Portage, I would be prepared, out of my own money, to hire a bus on Friday afternoon and take you to Portage and have you tour the facility.

A MEMBER: I toured it.

MR. E. CONNERY: You toured it. Then you'll vote with us. But Harvey Smith, or the Member for Ellice, I withdraw the name, Madam Speaker. The Member for Ellice raised his hand and maybe he'd like to go. Harvey, I'd be glad to take you out — the Member for Ellice, sorry about that. He doesn't look like the Member for Ellice, he is just elected there. Anyway, if there are any members opposite who would like to tour that facility, we could make arrangements and . . .

A MEMBER: What if they don't let them out?

MR. E. CONNERY: Pardon? They won't let them out. They'd let you out. The Member for Ellice, he'd get out.

Madam Speaker, the Minister also does not even know some of the facts. She said there were 64 who had been admitted into the community and they were planning to have 220. The Member for River Heights had questioned the numbers. Well, even the figures are wrong, Madam Speaker. In that period of time, she said 64 left, 72 left. There were 33 admissions in that period of time; 11 were new and 22 were readmissions. There were also 26 deaths. So the net in that period of time of people moving into the community, under the Community Living Program, was not 64 but was 50, and there is still great doubt as to how they're going to move another 220 into the community in eight months and have the infrastructure there that will give them the services they need.

Madam Speaker, over the years, we used to see that often up to nine out of 10 of those who went into the community were readmitted. Now we know that the program is to not readmit relatively easily, so they are

going to be forcing people to try to stick it out. But they have found in the past that many of these people who have come back into the Manitoba Development Centre had regressed to a great extent and it took years to bring them back to where they were.

Madam Speaker, we were told that with the closing of the Portage School that there was going to be a course at Red River College. A question was asked in this House — I think it was Friday — on the Red River College course, the Community Mental Health Program, as to how it was to be funded and who would be eligible to go there. I am told that it is funded by the core area and that core area residents only will be allowed to go to that particular course. Madam Speaker, this would be an injustice to the rest of the residents of Manitoba and Portage la Prairie if it was restricted.

Also there is an extreme concern from the RPN's that the quality of the graduates from the Red River College be up to the standards of the RPN course, and if they're not — I think it's what's happening in so many of our programs. We're seeing quick-flip training programs, and we're giving people very short training, putting them out, whether it be child abuse or mental retardation. We're not getting the support services in the community that people need.

Understanding mental retardation is not easy and just having people go to Red River for a short period of time would be just like the Member for Morris hiring a tractor driver trained on the parking lot at the Red River Community College. You just don't have a feel and an understanding for it.

Also, Madam Speaker, there have been a lot of crises in mental retardation, and a lot of family crisis. I know there have been members opposite who have also faced this very same thing. I'm told of one family that was on the verge of a marriage breakdown over a retarded child in the home. When the child was put into the MDC, the family was comfortable and the child was comfortable. Now, if that child is forced to go into the community, the family won't allow that child to go to a foster home. They would bring it back into their own, and would we have further marriage problems?

We talk about the program being a voluntary one to go into the community. We have had many cases of people citing that they have been bullied and badgered before they finally signed to have their children or whoever go into the community. Others are fighting for committee ship, which is to get control of the assets and responsibilities for retarded people, and this is a very great cost to individuals, Madam Speaker.

We have seen what has happened. I pointed out before, the articles on people abandoned and where the mentally retarded were in the community, the infrastructure wasn't there and they ended up in jail or lying on the street. Madam Speaker, we had one sad instance in Portage of a former resident of the MDC who was in the community. I'm not sure totally what happened, something went wrong. He stabbed a lady to death. She is now dead, and the retardate, the former member of the school, is in jail. You can imagine the kind of attention he's going to get in a jail as compared to the MDC where the people understand him.

So, Madam Speaker, I think I have pretty well given my thoughts on this program. I would plead with the members opposite to give it consideration. I know they

would have a hard time going against their Minister, but I think if there is some compassion, I would ask them to give it consideration.

Thank you.

MADAM SPEAKER: The Honourable Member for Kildonan.

MR. M. DOLIN: Thank you, Madam Speaker.

I appreciate the sincerity of the Honourable Member for Portage and also the compassion he shows. I have some problems, however, with his understanding of the situation as it exists and the solutions proposed. First, I would like to deal with the resolution as proposed point by point.

First, he says the people of Manitoba believe the well being and future quality of life of the mentally retarded residents of Manitoba will be severely restricted for the following reasons. I don't know that's necessarily true. I also do not know that is reality and I don't know where he gets that information from. Apples and oranges are being mixed here, and I think it should be clear what is being talked about. If we're talking about services to the mentally retarded, we are talking about mix between institutional and in-community services. If we're talking about the School of Psychiatric Nursing in Portage, we're talking about a training program. I think these two things are being mixed.

What I see here is discussion of the closing of the training program where various emotionally laden terms are being used regarding the mentally retarded which are really not relevant to the closing of the School of Psychiatric Nursing. What is relevant is Item 1 which says, "The MDC School of Nursing is unique in North America." Is the member referring to the physical structure, the building itself, or is he referring to the curriculum and the program for training psychiatric nurses in the field of mental retardation? The Member for Portage is nodding that is correct.

What I would point out is the training of psychiatric nurses has developed into something of a speciality in Brandon, in Selkirk and in Portage where people are not the kind of generic psychiatric nurses that are going to be required and are presently required in the field. For example, what departmental officials tell us is there is going to be a greater future need in psychogeriatrics, working with the elderly people, the advancing age of our population with situations such as Alzheimer's, senility, etc. There is going to be slightly fewer required in psychiatric nursing in mental health because of the various other services and the kind of programming that's being developed and there will be somewhat fewer in psychiatric nursing required in the field of mental retardation.

What that means is, the reality is you need a more generic kind of training to train people with skills in all three areas. The fact is this kind of training can be done more efficiently in a province this size in two schools and still get the same quality of training and allow people to be able to have the expertise to move from one field to another and to have expertise, not to be slotted and blinkered in a particular area. This can be done in Brandon and Selkirk — studies have shown this — and the reality in Item 1 is the School of Nursing is not unique in North America. The program

is unique but the curriculum parts of the program that deal with mental retardation can very well be transferred to other curricula and a more generic program to create better skilled psychiatric nurses than we have at present.

Second, the MDC treat the mentally retarded, Brandon and Selkirk treat the mentally ill. I think, at present, that is the fact. The fact is, and this goes back to the point I was just discussing about the specialized nature of training where you get psychiatric nurses who have specialization in dealing with the mentally retarded that cannot move into another area of dealing with mentally retarded geriatric, with Alzheimer's, with the kind of situations that they are going to be dealing with in their profession, from what population statistics tell us they will be dealing.

The third item is by closing the schools students will lose their hands-on experience. My understanding is that there are placements still to be had in the school, that not only will the nurses' training programs from Brandon and Selkirk be having in-house training and hands-on training, but so will the programs being run at Red River Community College; not only will they have hands-on training dealing with the mentally retarded but also dealing with the elderly and various psychiatric patients also in the community treatment, not just institutional treatment. — (Interjection) — No, at MDC and at the institutions.

If students are trained elsewhere, Portage — this is the town I assume we're talking about — will not attract the most qualified graduates. I'd like to hold this to the end.

No. 5, it is difficult to attract staff to the MDC if they are not trained there. My understanding of provincial civil servants, and most registered psychiatric nurses work either in the Department of Health or Department of Community Services, that people usually go where they are assigned. Not only do they go where they're assigned, but they go where they have an interest. If the training is provided in a generic manner where people have specialties and skills which they get, they will be going there, they will have the kind of skills required to provide that service.

Poor training may result in patient abuse. I find this somewhat negatively reflective on what's going on in Selkirk and Brandon, the assumption there being that the quality of training in these other institutions is now worse and in the future will continue to be worse, and that somehow the present level of training at MDC will be an inferior level of training if more comprehensive curriculum is provided. For example, I have here the development of a formalized curriculum to be implemented in September '86, it's currently in process. The present director of the Manitoba Development Centre Nurses Training Program has been working extensively with the other two centres to design a curriculum of training in mental retardation. What is happening here is you have the director who is providing the curriculum in the current program will be providing the curricula in the other two programs. If this is the person who you are now praising as providing a better program, I fail to see the logic of saying how the program will be inferior when it is created by the same person based on the same curriculum.

The next item is, with the increasing lifespan of the mentally retarded, there will be steady or increasing requirement for psychiatric graduates. Absolutely true.

I agree with that 100 percent. However, I think the member should look at what he himself is saying earlier. He is looking for specialty care in the field of mental retardation. What I'd mentioned is the kind of needs that will be had in the field in the area of psychogeriatrics and mental health and retardation for psychiatric nurses. To say that there will be a steady, increasing requirement for psychiatric graduates is absolutely true; to say that they will be narrow and specialized, just in the field of mental retardation is absolutely false.

The kind of training to have a properly qualified psychiatric nurse in the field that will be required is a curriculum that provides more than just one narrow, limited set of parameters for that kind of person to be trained as a quality psychiatric nurse to operate in the field and to be able to deal with not only psychiatric patients who are psychiatric, but to deal with psychogeriatrics, the mentally retarded psychiatric, etc. This is the kind of a world we're living in and anybody can pick up population data and see that we live in an aging population which means there are more psychogeriatric diseases. There are more problems, as the member correctly points out, of aging mentally retarded patients to deal with them as elderly patients. I think you've got to be able to provide an adequate curriculum and not a narrow curriculum.

No. 8 is the training of students and the quality of training at MDC as reflected in the attrition rate. Between '77 and '84, Selkirk had an attrition rate of 35 percent and only 14.5 percent at MDC. I fail to see the connection there and I would ask the member at some point if he could show me what the connection is between the attrition rates and the training in a new training curriculum that will provide the kind of generic training that the member does not seem to understand is required for present needs and future needs. I don't think you will see a difference between the attrition rates. I think what you will see is students getting a better level of training, continuing their training, have more promise of jobs in the field, more interest in what they're doing and more skills to provide better service.

Graduates from MDC are excellent in academic achievement. I don't doubt that, nor do I doubt and by implication, that the graduates from both Selkirk and Brandon will be equally excellent and, as a matter of fact, will probably be much better qualified to provide the services required.

It is doubtful if Brandon and Selkirk can graduate an adequate number of students to fill the demands in the future. My understanding is four staffman years presently being provided to train students at MDC will be allocated, two to Brandon and two to Selkirk, to provide for those additional students. As I pointed out earlier, the director of the present program is designing the programs for the other two schools which should provide the kind of skill, the kind of training, and the staffing has been provided to make sure an adequate number of students can be handled in a more generic manner to be able to deal not only in the specialty of the mentally retarded but with psychogeriatrics and psychiatric patients. There will be no financial savings by closing the school.

I always have problems with figures saying no financial savings. When you cut back 220 patients from the institution by putting them in proper community care — and I have the same concerns that the member

does, and I agree 100 percent with the idea of putting people back into the community and not having the infrastructure is very dangerous.

I think the Welcome Home Program will be providing the infrastructure, because it's being done in a gradual manner; it's being done in a planned manner. We will not have the problems that we had in the past where de-institutionalization of the mentally ill became, to some extent, dumping. I think that's the member's concern, and I think that's a legitimate concern. I think the member is doing his responsible job, as a member of Opposition, in monitoring that program and as a representative of his constituency to make sure those 220 patients who, by January 1987, who will be put back into the community have the proper infrastructure to ensure that their needs are met.

I think, to say that there are no savings, well my understanding is that 220 people from direct institutional acute care beds plus the closing of a school of nursing and a consolidation, my understanding and the figures I have received — and the member can dispute this, and the Member for Pembina can dispute it — is that there are \$100,000 direct savings. I think the reality of what we're talking about is more than the direct savings. We're talking about the value of a more balanced program, of institutional care more balanced with in-community care and a proper infrastructure. I support the Member for Portage in monitoring to make sure that infrastructure does the job it's supposed to do, that we don't have a repeat of the incidents that took place in the early Seventies.

At this point, I would like to get back to Item 4, because Item 4 seems to be something that I've heard not only from this member but in the Throne Speech Debate and the Budget Debate. Portage will not attract the most qualified graduates. I find this somewhat — I would refer to it as pin-headed chauvinism. The fact that what really is being talked about here is not the services to the mentally retarded, not the training of psychiatric nurses, but Portage losing jobs, Portage losing industry.

I've heard that same kind of pin-headed chauvinistic attitude from other members, somebody talking about, in his particular constituency, the telephone service. We have a province-wide phone service. This member is only concerned about — another member talks about a meat-packing plant in his constituency creating 300 jobs without any concern for the fact that, in every newspaper, there is a threat to 800 jobs in the City of Winnipeg from the opening of that meat-packing plant, with the potential of closing the other.

I think the member is honest, and I certainly believe in his sincerity in monitoring this program. I think he's misinformed. He's mistaken, but he should monitor to make sure that the program does what it says it's going to do. I will cooperate to my utmost with him to make sure that the 220 people involved in the Welcome Home Program get the services they require, and to make sure that Selkirk and Brandon provide the quality service which I know from the kind of services this government has provided they will provide.

I suggest to the Honourable Member for Portage, I think his resolution is well-meaning. I think the fact he is misinformed is unfortunate, but God bless you for putting it in. It's worth discussing and it's worth monitoring.

Thank you.

MADAM SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Madam Speaker.

In addressing this resolution, I first off want to compliment my colleague, the MLA for Portage, in bringing this matter once again before the House. In the hope that now with a new Session and with less pressure on the Minister of Community Services that she might see the error in her ways because, if anything would point out the error in the ways of her decision, simple listening to the last speaker trying to defend it would tell the Minister that she has made a wrong decision.

Now, Madam Speaker, what we just heard from the Member for Kildonan is an attempted justification for a decision that was made incorrectly, based on wrong information, based on not listening to expert information from within her own department. What we heard from the Member for Kildonan was justification after the fact of a decision they'd already made with new cooked-up facts and figures to try to justify a bad decision.

The Member for Kildonan confused two issues in his defence of this bad decision, in that he said closing the school was going to save \$100,000 by moving out 220 residents. That's not the issue. The issue here is the closing of a school of training for psychiatric nurses which provides a specialized level of training for the developmentally retarded citizens of our province, and moving that function to two other schools of psychiatric nursing training at Selkirk and Brandon, which train primarily in mental illness. That's the key issue.

It is a wrong decision by the government and I have said before, and many members on this side have said before, it is a politically motivated decision, because both schools that are remaining happen to be in New Democratic Cabinet Minister constituencies. They closed the school with the specialty training because it was located in a Progressive Conservative constituency. That is the cold, hard, bottom line of the decision made by the Minister of Community Services and the Treasury Bench.

As the Member for Kildonan already identified, Madam Speaker, there is no cost saving, because the staff that is currently providing instruction at the school in Portage is going to be reallocated to the other schools. There are no staff savings. There are no savings to this closure. This is a wrong-headed decision, a wrong-headed, wrongly prioritized decision that flew against the advice of departmental staff.

The Minister has the reports. There are three of them. They were drawn up by her department. Each and every one of those reports, written by her experts in her department, give her grave warnings about the consequences of closing the school at Portage.

If we want to talk about another area where the Member for Kildonan had his cooked-up facts to try to justify a wrong decision, he mentioned, quite simply, that training in the field is what we have to go for. We have to have a — what did he call it? — a generic training program, is what he called it. What the member, in his attempted weak justification of this bad decision, failed to recognize that part and parcel of the school

in Portage is on-the-job training for those psychiatric nurses with a very special group of Manitobans, the developmentally retarded.

The loss of that school is a major loss of that unique training opportunity. It will not be available in Brandon and in Selkirk, and the community loses that very unique training experience. Who suffers? The psychiatric nurses won't suffer. It will be the patients, those Manitobans afflicted with developmental retardation. Those are the people who suffer from this decision.

This decision was made by a government and particularly by a Minister who I openly admit does a better job of pretending she cares for Manitobans than any other member on that side of the House. I have listened for four years to her heart-bleeding pleas for compassion, and yet she has closed a school that provides unique training opportunity, support in that institution and support in the community for the most disadvantaged citizens of our province, the developmentally retarded.

That's why the decision is so offensive to us on this side of the House, but she seems not to understand what she has done. Even today and even when the rally was out on the front steps of this House, she did not still comprehend the graveness and the error in her decision. That's what we find terribly troubling.

Now, Madam Speaker, I just want to fill in one more area for the Member for Kildonan, because he obviously hasn't read the press release from the Registered Psychiatric Nurses' Association. In this press release, they say that: "Registered psychiatric nurses comprise 70 percent of all professional staff working at the Manitoba Development Centre, and over 50 percent of the professionals working in this field in community settings." Bear that in mind — 50 percent of the registered psychiatric nurses working in the Welcome Home Program and in the community are graduates of the MDC. Over 80 percent of these people graduated from the School of Psychiatric Nursing in Portage.

Now what we are doing is we are taking from the Welcome Home Program, the most qualified trained registered psychiatric nurses to provide that community support in the community, after deinstitutionalization; and they are robbing that kind of training and support from a professional group, the registered psychiatric nurses.

Madam Speaker, we have been through this issue on a number of occasions with the Minister in the last Session and I want to just briefly reiterate for honourable members opposite, who weren't here when we made that decision, the new members, and for some of our new members on this side of the House.

This decision was made, number one, without consultation; without consultation with the Association of Registered Psychiatric Nurses whose mandate, by their professional act, is to be involved in the training of people entering their profession. Here we have a decision made by the Minister of Community Services, involving the training of registered psychiatric nurses, with no consultation with them, as their act mandates.

Secondly, Madam Speaker, this Minister of Health (sic) did not even seek the advice of her professional adviser on staff, Dr. Glen Lowther, a man with probably — and I'm going to be underestimating his years of experience — but a man with some 35 to 40 years of experience in the field of working with developmentally

retarded citizens of Manitoba, probably one of the premiere experts in the field; and that is why he is the Minister's adviser. But she did not consult with him; she did not ask him for his opinion; she simply crashed ahead and made her wrong-headed decision. — (Interjection) — Did someone ask how we know that she didn't consult? Because the individual indicated that and the Minister even slightly indicated that, although she didn't want to admit that she had not consulted with her Chief Medical Adviser.

Now, do you consider that competence in administering the Department of Community Services, if you don't even consult with your Chief Medical Adviser? We thought that was terribly incompetent and that's why we went after the Minister last Session for such a wrong-headed decision.

But more importantly, Madam Speaker, more importantly, this Minister had at her disposal three confidential reports from her department, in-house reports, advising her not to close the School of Psychiatric Nursing at Portage la Prairie, at the Manitoba Development Centre.

Those reports were drawn up by members within her professional staff. They warned her of the kind of things that you see in this resolution, that the quality of care for the patients at the school in Portage will decline without those people, without those psychiatric nurses trained at Portage la Prairie.

So, Madam Speaker, we have grave concerns and when those concerns were raised in the House by myself, by my colleague the MLA for Rhineland, by the former Member for Portage la Prairie, this Minister backpedalled, backtracked, even went out to Portage to meet with people at the school to explain her decision, and with the citizens of Portage la Prairie. She left them that evening — and it was a Wednesday evening — she left the people of Portage, the citizens of Portage and the people at that school with the clear impression that she would come back and reconsider the decision because obviously she didn't have all the information, because those citizens and those people at the school were telling her things that her wrong-headed advisers weren't telling her.

What did she do that Thursday afternoon, ladies and gentlemen? She axed the program. She stepped out of this House in question period, when we were asking her if she was going to reverse the decision or at least put it on hold until she got her facts straight, until she got more information. She stepped out of this Chamber not answering the questions that we posed to her in this House, which is her perfect right — it's not very forthright; it's not very honest; and it's not very open but it's her right — she stepped out into the hall and announced to the press that her decision was final. Don't confuse me with the facts; don't confuse me with correct information; I have made a decision; even if it's wrong, I'm carrying on with it; and that's what she told the people on the front steps of this Legislature two weeks ago. — (Interjection) —

Madam Speaker, my colleague from Portage la Prairie is making a very valid point and I made this with the Minister before. They studied for 10 years to close the dairy farm at the school, a dairy farm which provided work for the residents, which provided milk, etc., for the school. It took 10 years of study to close that dairy herd down and that program down, and this Minister

admitted wrong advice, bad advice, in a matter of weeks closed the school of training which provides the developmentally retarded with an expert training program and expert staff to serve them, not only in the school in the residential situation at Portage, but in the community as well.

This Minister did not seem to see the anomaly in taking 10 years to decide the fate of cows, and taking 10 weeks or less to decide the fate of a school and a training program, and the residents, the lifetime residents of the school at Portage la Prairie.

That, Madam Speaker, is why we very much opposed that decision of closing. Had the election been won by our party, that school would not have closed, Madam Speaker, because on this side of the House we recognized the value of that training program. We know that this Minister and this government do not save money by closing that school and we know that the consequences of training individuals to serve the developmentally retarded in Manitoba will suffer from this closing.

Madam Speaker, I make no bones about it. That was a decision and a commitment that we made from the understanding of the situation. Why this Minister insists on her wrong-headed decision is mind-boggling. It's beyond comprehension to come from a Minister who alleges to care for Manitobans and for those Manitobans who cannot fend for themselves in society. Those very individuals that this Minister constantly says she and her government care for, are the very ones victimized by this wrong-headed, ill-advised decision.

Madam Speaker, I simply close my remarks this afternoon on this resolution with the urgent plea that new members opposite, in the back bench, would reconsider this decision. If you don't believe the information that has been laid on the record by myself and by the Member for Portage la Prairie, investigate the situation with the Association of Registered Psychiatric Nurses. Investigate the situation with other members in the school at Portage. Investigate the situation with the community that provides services to the developmentally retarded in the Welcome Home Program.

Ask those people. Don't take our advice if you don't trust it because it's partisan and it's coming from the Progressive Conservative Opposition. Ask the people; ask the parents, and you will get the same story that we are giving you here today, that this decision is wrong, that this decision is harmful, that this decision was made on the basis of bad advice to this Minister.

And, Madam Speaker, if you give it some careful consideration, you will join with us in supporting this resolution by my colleague, the MLA for Portage la Prairie, and we won't see the closing of the school in Portage and we will see, in fact, it become and remain a centerpiece for training in North America for registered psychiatric nurses who can provide very expert and kindly care to the developmentally retarded of this province.

Thank you.

MADAM SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Madam Speaker.

I am pleased to be able to add some comments in this particular debate. I would first like to begin by echoing the sentiments of the Member for Kildonan when I think he acknowledged the legitimate concerns expressed by the Member for Portage, as expressed in this resolution.

I agree with the Member for Kildonan that some of those concerns are perhaps not valid, Madam Speaker, but I think his intent is an appropriate one and I respect that.

I think the intent of the Member for Pembina, however, is somewhat more political and I think the Member for Pembina in the comments he just made demonstrated that. I think he did not address some of the key issues that are before us in this debate, and I think he made a number of false assumptions and a number of false arguments which I will address in my remarks today, Madam Speaker.

I think the whole question is one of rationalization of services for the mentally retarded. It's difficult to deal with the question of the one particular training program that we're looking at today in isolation, because we're looking at a field where there are dramatic changes taking place — changes, Madam Speaker, which I would hope that all members of this House would support. I would also hope that all members of this House would acknowledge as being the result of some very fine efforts by the current Minister of Community Services because I think she's been a leader in pushing for those changes.

The change, Madam Speaker, is toward a more balanced way of dealing with the needs of the mentally handicapped. That involves a major effort in terms of re-integrating some mentally handicapped people into society. I think members are quite aware of just how significant that is, just how significant the Welcome Home Program, which has once again been spearheaded by this particular Minister, how that has changed the whole scope of viewing the way in which we deal with the needs of our mentally handicapped individuals.

But it goes beyond that. There are changes within the institutional settings which have to be dealt with. I think this is one thing that the Member for Pembina, particularly, failed to address in his comments. You know, he had it all in black-and-white terms; that there was a training program; that this was somehow the only training program that was suited to dealing with mentally handicapped needs; and that by somehow changing the training programs, or rationalizing that training program into two locations with the kind of curriculum changes that would result, the kind of shift in emphasis, somehow that would deprive the mentally retarded of the services they need. Madam Speaker, that is not true.

The training facilities in Brandon and Selkirk are more than adequately equipped to deal with those needs. They are dealing with very important questions, Madam Speaker, in terms of not just dealing with specialized training, but more — I think the Member for Kildonan called it — generic training, which is another function of the changes that are taking place in this very field. So it is not true to say that those needs will not be met; they will be met.

It also is not true to suggest, as the Member for Pembina did, that there is somehow a body of expert

opinion that opposes the decision that was made by this Minister and this government to move toward that rationalization. Madam Speaker, the Member for Pembina quoted one individual. I'm sure the Minister responsible could quote many others, because it's a field of various opinions. There are various opinions on this very subject. I would advise the Member for Pembina, before he develops these black-and-white arguments as he often tends to do, to check with those who are concerned about the needs of our mentally handicapped citizens, and he will find that there is a whole variety of opinion on the general needs, and also the specific policy decision that was made.

Also, I think one of the faulty assumptions, too, which the Member for Pembina made, or actually skipped over, was the question of the changes that are going to be taking place in terms of the balance between institutionalized services at MDC, which I believe had a peak of 1,100 people, is now in the 700 range and will probably stabilize in the 500 to 600 range. So there are changes that have taken place and are taking place at the present time, on the one hand, in terms of institutionalized services.

As I mentioned previously, there is a shift to deinstitutionalized care that will result in the placement of an additional 220 individuals into the various communities around this province where they originally come from, Madam Speaker.

So the Member for Pembina conveniently skipped that over, and avoided the very obvious question that I'm sure is on the minds of most people who are aware of what is taking place, of what the needs will be in dealing with the needs of our mentally handicapped citizens in that changed environment. We are talking about a significant shift toward a more balanced approach in dealing with their needs, away from a strictly institutionalized approach to an approach which does involve institutionalized care, but also involves very significantly a far greater emphasis on community care.

I think that actually is probably the greatest mistake that the Member for Pembina made in the argument, in that black-and-white argument where he took us step by step over several false assumptions and came up to his conclusion, which was that this decision was wrong. Well, the fact is those assumptions are not accurate, Madam Speaker; the fact is there is a more balanced need; and the fact is that the decision that this Minister has made is in keeping with that more balanced need.

Quite frankly, apart from the false assumptions of the Member for Pembina's argument, I think what offended me most was the suggestion that this Minister and this government does not care about the needs of the mentally handicapped in society, because that is not true. That is patently false. This government has committed itself, not just to the appearance of a more balanced approach, it has committed itself financially. The Welcome Home Program has had more than \$3.5 million in additional funding added to it. That's a result of care, that's not a result of budget cutting. That's increased funding because we recognize, for the Welcome Home Program to work, there has to be that added commitment.

So when the Member for Pembina talks about this Minister's compassion and caring, let him talk about this entire issue, and let him recognize that this Minister

has done more, Madam Speaker, for the needs of the mentally handicapped, this government has done more than any other government in the history of this province.

Madam Speaker, I know in my constituency that people do take the broader approach that I'm talking about. I have had many representations from members, the Association for Community Living, formerly the CMR, and they are concerned about some of the developments that have taken place. They would like to see some changes, some shifts in the way we're dealing with the integration of mentally handicapped individuals back into the communities. But I can say to members opposite that they support the basic thrust of this government, which is to have a more balanced approach.

That is, I'm sure, the same for many of the other parents who are involved with that organization throughout this province, and that's something I haven't heard. I have heard reference from the Member for Portage to parents being bullied and badgered into putting their kids back into the community. Well I have spoken to many people in Thompson who have had their kids re-integrated back into the community, and they weren't bullied, they weren't badgered, they were fully in support of what was happening.

In fact, several of them have said to me, it's about time, because they saw the vital difference, that extra spirit in their kids as a result of that integration back into the community. They are fully in support of what happened. They weren't bullied; they weren't badgered. If the Member for Portage has any evidence of cases of people who have been bullied or badgered into that situation, I would appreciate it if he could give the names of those individuals to the Minister, to the members of this government, because certainly — I'm sure I speak for everybody in this government in saying that we would like to deal with that — no parent should be bullied or badgered into that situation.

But I have heard nothing from the Member for Portage on that, and I'm sure I am not going to hear it, Madam Speaker, because I suspect — in fact, I know — that it's the type of hearsay that develops around matters such as this in controversial situations that we see before us. But I wish he would at least try and put some facts to those pretty serious accusations.

So, as I said, Madam Speaker, the issue before us is a more general one. The issue really is the question of how we deal with the needs of our mentally handicapped citizens; and I argue this to members of the Opposition, that this move by the Minister responsible for Community Services, this move, including the rationalization of training, to the two facilities from the three, I feel is in the best interests of the province as a whole because there is a rationalization.

But I argue even further and perhaps most importantly that it's in the best interests of the mentally retarded. That's surely what is at stake here, Madam Speaker, this balanced approach that combines institutionalized services with integration into the communities, I think is a major advancement. I think it's setting a trend for Canada and I think, in debating this issue, we must look at the broader question and truly recognize the fact that great moves have been taken by this Minister and this government and great moves are going to

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continue to be taken in the future, despite the criticisms of the Member for Pembina and other members opposite who would rather concentrate on the kind of black and white, politically motivated discussions which quite frankly do little service for the needs of those who I said before are the most important in this case, the mentally retarded.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Madam Speaker, I move, seconded by the Honourable Member for Pembina, that debate be adjourned.

MOTION presented and carried.

HOUSE BUSINESS

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: Madam Speaker, we will be prepared to call it 5:30. The resolution can stand in the name of the Member for River Heights; but previous to that, I'd like to clarify two matters of House business if I could.

As was indicated last week, tomorrow we will be going into Estimates after the question period. It will be Agriculture in the Chamber and it will be Highways and Transportation in the committee room.

Secondly, this afternoon I had indicated we would be continuing the discussion of Public Accounts on Tuesday next, if required. There was some question as to whether or not Public Accounts would be meeting tomorrow. It is the intention to have Public Accounts meet tomorrow; and the meeting on Tuesday will be undertaken if the work of the committee is not finished by 12:30 tomorrow afternoon.

MADAM SPEAKER: The hour being 5:30, the House is now adjourned and stands adjourned until 2:00 p.m. tomorrow (Thursday).