

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 13 April, 1987.

Time — 1:30 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

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, I'm pleased to table the 1986 Annual Report of the Public Utilities Board.

One of the chickens is flying out over there, Madam Speaker.

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Thank you, Madam Speaker.

It's my pleasure to table the Report of the External Review into Matters Related to the System of Dealing with Child Abuse in Winnipeg, along with the press releases.

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

ORAL QUESTIONS

MTS - Minister involved in negotiations

MADAM SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Is there an echo in here, Madam Speaker?

Madam Speaker, my question is for the Minister responsible for the Manitoba Telephone System.

We have news on the weekend of evidence before the Public Utilities Board indicating that MTS settled the accounts of MTX; and settled them for \$9 million more than they were legally obliged to. My question to the Minister responsible is: Was he involved in the negotiations on these settlements of the accounts?

MADAM SPEAKER: The Honourable Minister responsible for MTS.

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

The settlement with MTX, the departments, suppliers, employees, have not been completed, Madam Speaker. There was speculation at the Public Utility Board that

if MTX proclaimed bankruptcy that there could be X-number of dollars saved.

Madam Speaker, Coopers and Lybrand recommended an orderly wind-down of MTX. Coopers and Lybrand, and Mr. Curtis, the Deputy Minister of Finance, have been providing us with very good advice all along, advice which I respect, and the advice has been to proceed with an orderly wind-down because the potential cost for an alternative option would be much more potentially costful to the ratepayers of Manitoba.

So this is the advice we've been following, Madam Speaker. I think we've been utilizing Mr. McKenzie, Coopers and Lybrand, and Mr. Curtis in providing excellent advice to us in terms of how to proceed with the MTX situation.

MR. G. FILMON: Madam Speaker, is the Minister indicating that he approved of that process by which MTS paid out \$9 million more than it was legally obliged to in settling MTX's accounts?

HON. G. DOER: Madam Speaker, the Leader of the Opposition uses the term "legally obliged." All the assessments in terms of how to proceed in the most appropriate way have been dealt with both in a financial and legal aspect. Many of those legal opinions, Madam Speaker, have been utilized by Mr. McKenzie at Coopers and Lybrand, and Mr. Curtis, in terms of the most appropriate and most responsible way of winding down the whole MTX issue.

Madam Speaker, there is nothing legal that says a subsidiary of a Crown corporation cannot declare bankruptcy, but it's also not predictable in terms of the liabilities that (a) MTX will have; and (b) what the corporate Crown MTS would have. Madam Speaker, in evaluating the decisions and options, and certainly bankruptcy was an option, put forward in terms of dealing with MTX, it was recommended to us by Mr. Curtis and by Coopers and Lybrand, including Mr. McKenzie, that a negotiated settlement in the most appropriate way was more appropriate to Manitobans and to the MTX affair, a negotiated settlement in the hand was much better than a number of potential legal lawsuits in the bush.

We followed that advice from those individuals and I respect the advice from Mr. Curtis; I respect the advice from Mr. McKenzie; and I did follow their recommendations because I think they're competent people and were acting in the best interests of the best way to deal with the MTX issue.

MR. G. FILMON: Madam Speaker, given that the Manitoba Telephone System has acknowledged that they paid \$9 million more than they were obliged to in order to settle those outstanding liabilities; and given that the Telephone System had the very obvious strong lever of bankruptcy to offer to those creditors, why did they not use that as a lever to negotiate a better settlement and not pay the \$9 million more?

HON. G. DOER: Madam Speaker, the Leader of the Opposition has said he'd negotiate the settlement. The settlements have not been reached and one of the major disadvantages, of course, that the Telephone System would have at a public forum before the Public Utilities Board, an appropriate dilemma is the information that Mr. Robertson and Mr. Curtis had in terms of some of the legal potential that some of the contracts and agreements contained in terms of what potentially could happen in terms of the costs to the Telephone System, in terms of the MTX.

Madam Speaker, the legal advisors, Mr. McKenzie and Mr. Curtis looked at the whole concept of liability, when discussing the option of bankruptcy. They looked at the concept of the corporate veil between the subsidiary and the actual corporation itself. They looked at the deep rock theory in the United States in terms of legal kinds of precedents of the United States with some of those contracts in the United States.

Madam Speaker, the figures articulated at the Public Utilities Board hearing were figures that were from March 31, 1986, as opposed to November 21, 1986. Some of the money that the member opposite is talking about had already been committed in contracts. Liabilities, Madam Speaker, are there. To reveal all the liabilities at a time of sensitive negotiations would be very, very imprudent.

On November 21, Madam Speaker, the government released all the information and, if Madam Speaker recalls and the members opposite recall, Coopers and Lybrand at that time, with all the information, recommended an orderly wind-down of MTX; it did not recommend bankruptcy. Members opposite did not recommend bankruptcy at the public hearings and we followed the advice that we had, the best professional advice we had.

MADAM SPEAKER: Order please, order please.
The Honourable Leader of the Opposition.

MR. G. FILMON: Madam Speaker, given that the Telephone System itself has acknowledged at the Public Utilities Committee that it did indeed spend \$9 million more than it had to in settling those accounts, will the Minister indicate whether or not MTS will be guaranteeing all the outstanding debts and liabilities of MTX?

HON. G. DOER: Madam Speaker, the presumption would be that no employee, no supplier, no partner would have any liability, in terms of any of the agreements anywhere in terms of the MTX and MTS.

Madam Speaker, we had professional advice from Coopers and Lybrand and Mr. Curtis who basically told us that a negotiated settlement of those outstanding agreements, employee, supplier and partners was a much more prudent way to go in terms of the potential cost for liabilities. Madam Speaker, the advice we received is the advice I respected. Madam Speaker, we believe that the presentations before the Public Utilities Board on this issue, both ways have been very valid and I think the interventions have been very, very appropriate.

Madam Speaker, in all the action we've taken we've tried to take the most prudent action to deal with a

very, very severe problem and at the same time maintain the lowest rates in Canada, which I think we can do through the Public Utilities Board.

MR. G. FILMON: It's evident that MTS obviously is guaranteeing all of those outstanding liabilities.

Canada Packers layoffs - alternate employment

MR. G. FILMON: Madam Speaker, my further question is to the Minister of Labour.

Given that 450 employees at Canada Packers had their jobs terminated last Friday, I wonder if the Minister can indicate how many have found alternate employment.

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, as to the precise number of workers who, through their own efforts or the efforts of the committee that is in being, have found alternative employment, I would have to take that as notice and give as much detail to the numbers as I can.

I would like to advise the Honourable Leader of the Opposition and congratulate him, by the way, for his success over the weekend, to advise him that a committee has been established that is representative of the Federal Government, the Provincial Government, Canada Packers itself and the workers, and there have been a number of meetings held of that committee to determine how best to assist in the worker adjustment program that is provided under the federal legislation.

We have requested both the Federal Government and Canada Packers to do their utmost to provide greater flexibility in their programs in order to accommodate the needs of the workers. I made personal representation to the Honourable Mr. Bouchard, the Minister of Labour in Ottawa, in respect to having greater flexibility in respect to the programs which the Federal Government maintains in order that the workers at Canada Packers could be accommodated in some of those training or retraining programs.

MR. G. FILMON: Madam Speaker, I regret that the committee is not reporting to the Minister, to let us know how many people have found alternate employment - alternate circumstances satisfactory to their needs.

Sugar beet industry - gov't assistance re job search

MR. G. FILMON: My further question to the Minister is: Given that there are between that plant at Canada Packers and their closure, and the Manitoba Sugar Refinery over 1,000 jobs in agriculture support that will be lost to this province over these two closures, will he make a commitment as well to the workers at Manitoba Sugar to ensure that they will be given the assistance of the committee in finding alternate employment?

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HON. A. MACKLING: Madam Speaker, in respect to the latter part of the Honourable Leader of the Opposition's question, I'm still hopeful that the Leader of the Opposition and his colleagues will be able, through their influence on their cousins and brothers and sisters in Ottawa, to establish the equity which is due to this industry that we've been arguing for. The fact, Madam Speaker, that for 25 years Federal Governments, whether they be Liberal or Conservative, have maintained this industry and now their being neglected by the Mulroney Government is an embarrassment, I hope, to the members opposite as well. Madam Speaker, in respect to any activity by way of committee establishment, we will certainly be looking at that to determine what assistance can be given to those workers, but we're still hopeful that the political decision that ought to be made, support from the Conservatives in Ottawa, will be forthcoming.

Sugar beet industry - inadequate government support

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker. My question is to the Minister of Agriculture.

Now that the sugar beet industry is on the verge of collapse because farmers can't afford to plant their crops without a tripartite agreement signed by this Minister, and the 90-day layoff notices have been given for plant closure by July 10, and everybody in Manitoba knows, Madam Speaker, that the reason for these problems is the lack of action of this government to sign a tripartite agreement, will the Minister tell this House whether he has a meaningful proposal to give to the growers or to the Federal Government or to both in terms of how to set up the tripartite agreement?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, in reading today's paper, I find it repugnant that there would be the suggestion that there may have been collusion on behalf of the farmers and the sugar beet company, Manitoba Sugar, in terms of saying to add pressure on the government we will now announce layoffs of workers to put pressure on the Manitoba Government.

Madam Speaker, the Province of Manitoba has an agreement with the Federal Government after having two unilateral decisions made by the Federal Government with no consultation with Manitoba. They basically offloaded millions of dollars of support that they historically paid to the sugar beet industry in this province on to Manitobans.

Madam Speaker, there has also been a suggestion that how come Alberta has signed the agreement and Manitoba hasn't. Madam Speaker, the Premier of Alberta told Mr. Mulroney that they were no better than the Liberals in terms of dealing with the West. Madam Speaker, the Federal Government capitulated and gave the oil industry in excess of \$300 million to assist that industry . . . (Interjection)-

MADAM SPEAKER: Order please.

HON. B. URUSKI: Madam Speaker, if the rights to Manitobans, the right that I venture to say that Manitoba would be more cooperative with the Federal Government.

Sugar beet industry - counter-proposal re tripartite agreement

MR. G. FINDLAY: Thank you, Madam Speaker.

The Minister talks about lack of input. If he or his members of his department . . .

MADAM SPEAKER: Does the honourable member have a question?

MR. G. FINDLAY: . . . had attended meetings, he would have a chance to then put his input in, Madam Speaker.

The question is to the Minister: Given that Alberta is going to sign the tripartite agreement on Thursday, April 16, and after that is signed, the opportunity for any counterproposal from this government will be lost because the details would be cast in stone. Is the Minister prepared to bring a counterproposal to the table before Thursday?

HON. B. URUSKI: Madam Speaker, after receiving a firm agreement from the Federal Government that there would be no further funding required to support the sugar beet industry after the 1985 crop, after seeing billions of dollars of support for the oil industry in Alberta and banks in Alberta bail out, and the recent bail out of \$350 million, one can understand why Alberta would be ready to sign a tripartite agreement had they received the same kind of agreement that Manitobans have had.

Notwithstanding that, the Federal Government is now supporting other commodities under the same Stabilization Act, and tripartite is not at issue because it is ludicrous, it is wrong and it is false to suggest that tripartite is the only issue on the table, Madam Speaker.

The fairness to farmers is what is on the table, Madam Speaker.

MADAM SPEAKER: Could I please ask the cooperation of members on both sides of the House to keep answers and questions brief.

The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker.

For the last time, this is a very serious issue. Four to five hundred jobs are on the line, Madam Speaker, and a \$90 million industry.

Is this Minister prepared to let that all fall by the wayside because of a political decision on his part?

HON. B. URUSKI: Madam Speaker, it is precisely that the Federal Government is attempting to play hardball politics with Manitoba producers while allowing producers in other parts of the country to receive stabilization payments.

Madam Speaker, I gave honourable members the option to either support farmers and the government on this side against their colleagues in Ottawa or ask their colleagues in Ottawa, Charlie Mayer and Jake Epp, to resign.

Minister of Agriculture - request for resignation

MADAM SPEAKER: The Honourable Member for Virden with a final supplementary.

MR. G. FINDLAY: A final supplementary, Madam Speaker.

We've asked this Minister for a counterproposal. If he cannot present it, is he, as Minister of Agriculture, prepared to resign - eat his own words?

HON. B. URUSKI: Madam Speaker, it is this side of the House that has shown the compassion and the concern for the industry and the willingness to provide alternatives.

Madam Speaker, I ask honourable members opposite

A MEMBER: You're supposed to answer the question, not ask it.

HON. B. URUSKI: Madam Speaker, I will advise honourable members opposite that when an agreement was signed that there be a national sugar sweetener policy in this country by the end of 1985; and, No. 2, that there would be no further funding required from the Manitoba Government for the sugar sweetener industry, how does that show an unwillingness?

Not only that, Madam Speaker, we have committed ourselves to putting in an excess of \$3 million into that industry over the next 10 years. That was rejected, Madam Speaker. Even the Honourable Member for Rhineland makes the point; he's saying that the Provincial Government has a point in terms of the Federal Government not treating farmers fair.

Premier's Office - lay off staff and help sugar beet industry

MADAM SPEAKER: The Honourable Member for Lakeside.

MR. H. ENNS: Madam Speaker, I direct a question to the First Minister. Surely, Madam Speaker, the First Minister can understand the seriousness of 200 jobs being lost.

I ask the First Minister to show some compassion and lay off seven of his public relations people in his office because that, Madam Speaker, is what we're talking about. Seven people laid off, apple polishers laid off in his office would save 200 jobs.

Will the First Minister consider that?

MADAM SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Madam Speaker, the issue is not Dalton Camp . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please.

HON. H. PAWLEY: . . . or any other communicators.

The issue, Madam Speaker, is fairness to the farmers of the Province of Manitoba. The issue is whether or not the Federal Government is prepared to treat the Province of Manitoba and its farmers, particularly those in the sugar beet industry, in a proper, in a fair manner.

The issue is whether, Madam Speaker, the Federal Government's prepared to abide by the commitment it gave to this government, this Minister of Agriculture, in 1985, when it indicated that there would be no further assistance required because they were going to proceed to a national sweetener policy which we have not seen, Madam Speaker. That is the issue.

MR. H. ENNS: Madam Speaker, I know the Rules of the House. I know that it's our privilege to ask questions. They do not have to answer, and obviously the First Minister chose not to answer.

MPIC - reinsurance losses - public inquiry

MR. H. ENNS: Madam Speaker, I have another question to the First Minister.

I would hope that the First Minister will immediately establish a public inquiry to review the entire question of the reinsurance business that MPIC, the Manitoba Public Insurance Corporation, has conducted since its inception, including of course the years that I had the privilege of being responsible for that organization.

HON. H. PAWLEY: Madam Speaker, the legislative committee, I understand, is still continuing its proceedings.

A MEMBER: No, no.

HON. H. PAWLEY: Yes, it is, I gather. That is the appropriate body for questions to be pursued, including any questions the Honourable Member for Lakeside might wish to offer.

MR. H. ENNS: Madam Speaker, I thought perhaps the First Minister would show me the same courtesy that he showed another colleague in the House, the Minister of Energy and Mines, when his conduct of public affairs was being questioned or talked about in a news way. I would also hope, and I would ask the First Minister, a full and complete and public inquiry may in fact even discover to the Minister now responsible for Autopac, to his horror, the missing files, other than just finding the selective pieces of information of files dating back from my years, some seven or eight years ago, at will, when it suits the government's purpose.

HON. H. PAWLEY: Madam Speaker, I'm not sure whether the Member for Lakeside - I don't believe he was in the House the other day when the Minister responsible for the Public Insurance Corporation indicated that the Provincial Auditor had been requested to look at the entire question of reinsurance, how we come to be involved in the reinsurance market, including the years 1978-84, including the period of time which the honourable member is interested in. I look forward, Madam Speaker, as I know all honourable members look forward, to receiving the report of the Provincial Auditor.

Child Abuse - risk assessment improvement in

MADAM SPEAKER: The Honourable Member for-St. Norbert.

MR. G. MERCIER: Thank you, Madam Speaker. I have a question for the Minister of Community Services with respect to the review report which she's tabled in the House today.

Although I haven't had an opportunity to read the full report, the introduction to the report does indicate that, as I've indicated previously to the Minister, there is no agreement within the system on the means of measuring risk to the children. Their analysis of child deaths reveals the need for not only a reliable risk assessment tool, but also standards to which the agencies are accountable, and unwillingness to review all child abuse deaths in a fashion that permits the system to learn from its mistakes.

Madam Speaker, I ask the Minister when the public of Manitoba can expect this situation to be improved.

MADAM SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Madam Speaker, I think the tool for risk assessment that is in the report is one that will find the acceptance of both the medical and the Child and Family Service workers, and I will expedite its use. I think it will meet the need.

With regard to standards, we have a draft form that is now circulating the agencies, and we hope, by very early fall, that it will become official. I think that the report has many recommendations, 55 in total, to build the system. Again I think, during Estimates or whatever, I'll be happy to go into greater detail. I think it's going to be a very useful blueprint for developing our child abuse system.

Child and Family Services - improvement in standards of service

MR. G. MERCIER: Madam Speaker, the introduction also indicates that, under the Minister's reorganization of Child and Family Services, there is an almost complete absence of those centralized functions one would normally expect from government. There are in practice virtually no standards of service, a management information system is non-existent, most records are kept in an archaic fashion and the planning system is rudimentary. Madam Speaker, I ask the Minister when the public of Manitoba can expect an improvement in that area.

HON. M. SMITH: Madam Speaker, it is true that the department staff have been reacting very much to specific cases and to the volume of child abuse, and not playing as full a role as I think is required to build the structure of the system. In fact, the report recommends that we decentralize more responsibility for child abuse committees and appeal committees to the individual agencies, and have the directorate play more of a role in monitoring.

The standards issue, in fact, there were general guidelines and protocols. The more detailed standards

as I've already indicated, have been developed and are being reviewed by the agencies at present.

With regard to the management information system, we have said all along that the manually kept cumbersome system is not adequate, and we're three-quarters of the way through a complete computerization of systems that are available to the agencies and also will permit the coordination and management from the centre and, therefore, permit a more rational planning system.

Child Abuse - increase in police protection

MR. G. MERCIER: Madam Speaker, a supplementary question to the Attorney-General.

As one of the recommendations of the report, they recommend that eight additional police officers be assigned to the Child Abuse Unit and three investigators be available on a 24-hour basis. I wonder if the Attorney-General would undertake to the House to review and discuss this recommendation with the chief of the City of Winnipeg police force in order to hopefully have this implemented as soon as possible.

MADAM SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: Thank you, Madam Speaker.

That's a good suggestion, and I would certainly do that. In fact, coincidentally enough, just last week I had a discussion with the chief and his officers on a number of problems, one of which was their present staff levels. As you know, they have had authorization to increase the size of the local force, the Winnipeg Police Department, by some 80. They're presently recruiting and training, but I'm advised by the chief that it may be a matter of some a year to 18 months before they are able, through recruiting and training, to come up to the level they would like to be at.

But in that context, I'll take that suggestion and pass it on. It's a good suggestion.

Springhill Farms Employees Union - government answer re review committee

MADAM SPEAKER: The Honourable Member for Ste. Rose.

MR. G. CUMMINGS: Thank you, Madam Speaker. My question is to the Minister responsible for Labour.

The Springhill Farms Employees' Union is expecting a response from the Minister today to their request for a review committee to examine the evidence that they used in their application for certification.

Is the Minister prepared to share that answer with the Legislature today?

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, I understand that the honourable member and one other honourable member attended meetings in Neepawa and took part in discussions where the workers apparently were in meeting trying to determine a course of action.

As I've indicated in this House more than once, it's incumbent on members of this House to show some leadership in respect to recognizing that the law is there, the provisions of the law are there, and that members of this House should not interfere in the processes that are available to the parties in respect to labour relations. I think there was some singular instruction given to the Honourable Member for Brandon West by the Brandon newspaper that he should butt out of workers trying to get together to resolve their disputes.

MR. G. CUMMINGS: It would appear the Minister is unwilling to answer that question, is unwilling to share the information with the public.

I wonder if he would advise this Legislature if his reluctance has something to do with the fact that the UFCW is losing \$100,000 worth of union dues from the closing of the plants in Winnipeg, and are they trying to recover that and funds from the NDP out of Springhill?

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Would the honourable member care to rephrase his question?

The Honourable Member for Ste. Rose.

MR. G. CUMMINGS: Madam Speaker, it seemed to me that the question revolves around the principle of what has the Minister got to hide. Who was he protecting? Why will he not share that information with us?

MADAM SPEAKER: Order, order please.

The honourable member should not make personal charges against a Minister. May I also remind the honourable member of Beauséjour 363(2) in that, "An answer to a question cannot be insisted upon."

Springhill Farms - request for gov't intervention

MADAM SPEAKER: The Honourable Member for Ste. Rose with a question.

MR. G. CUMMINGS: Thank you, Madam Speaker.

I'll try and rephrase my question in such a way that it will be acceptable in the Legislature.

The question, as close as we can get it to being answered in this House, is will the Minister share the response to the request from those people; or secondly, if he will not answer that question, will he now give the workers a vote?

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Madam Speaker, I think the honourable member and some of his colleagues should reflect on history the establishment of labour relations acts, the rationale for having tribunals that are arm's length from government to determine the rights and the obligations of parties in respect to the labour relations field generally. For honourable members to

be trying to interfere in that process is offensive, Madam Speaker. The question as to how workers exercise their rights are provided for under The Labour Relations Act and there are the courts.

The honourable members are interfering with the rights of workers themselves by taking place, trying to get involved, in taking sides between one party and another. The honourable members should reflect upon the fact that our legislation, similar to legislation elsewhere, is designed to prevent the interference with workers' rights that the honourable members are not trying to do.

MADAM SPEAKER: Order please.

Universities - long-term plans re funding of

MADAM SPEAKER: The Honourable Member for Brandon West.

MR. J. McCRAE: Madam Speaker, my question then is directed to the Minister of Education or whoever answers for him - there he is.

Madam Speaker, every department and faculty at Brandon University except one faces cuts this year between 3 percent and 7 percent, I believe. Tuition fees are up for the students at Brandon University by 10 percent. The grant from the Universities Grants Commission to the university is up only 3.9 percent from last year which is less than the rate of inflation.

Dr. Bill Paton, a fawning follower and supporter of the New Democratic Party, maintains that the No. 1 priority at the university is the maintenance of academic programs. He said there's no way that can be done with less money.

What long-term plan does the Minister have to protect and enhance university education as they promised to do just a year ago in the election campaign?

MADAM SPEAKER: The Honourable Minister of Education.

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

I can assure the Member for Brandon West that we will have more than ample opportunity to discuss the details of the funding support package during the Estimates debate.

I can tell the Member for Brandon West that the University of Brandon received a 5.2 percent increase in funding this year, which is amongst the universities the highest percentage of increase.

Madam Speaker, I can also indicate that the \$20 million Manitoba Universities Development Fund, which was announced in the Budget, will also have its portion of benefit to the University of Brandon.

Madam Speaker, the University of Brandon, like every other post-secondary institution in the province, has to come to grips with the tremendous rate of increase that has been occurring at our institutions. The 5.2 percent that was offered by the Province of Manitoba is substantially more than the 3 percent cut that's occurring in Alberta.

Brandon University - operating grant

MR. J. McCRAE: A new question for the Minister of Education, Madam Speaker.

The operating grants to Brandon University, the operating grant increased by 3.9 percent for this fiscal year, not 5.2 percent as the Minister has suggested in his answer. The Minister announced on February 20, 1987, Madam Speaker, a 4.7 percent increase excluding targeted funds in operating grants for universities in Manitoba. Brandon is getting 3.9 percent in operating grants. Madam Speaker, where is the rest of the money going?

HON. J. STORIE: Madam Speaker, the university is in possession of the exact amount of money and the same percentage, as I indicated, they would be in possession of. The fact is that the university for its own reasons has excluded some funding which is targeted, which is in our view operating dollars, which is clearly operating dollars. The increase to Brandon University is 5.2 percent in total.

Universities - special funding re increased utility rates

MR. J. McCRAE: Madam Speaker, will the government be bringing in special grants to cover the hydro increases, the sales tax increases and the payroll tax increases announced by the Minister of Finance?

HON. J. STORIE: The Member for Brandon West should consult with the Member for River Heights who asked that question almost a month ago and I indicated that, yes, we would be looking at some additional support to the universities.

Sugar beet industry - tripartite agreement

MADAM SPEAKER: The Honourable Member for River Heights.

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

All weekend long we've been filled with media reports, not about the Conservative Party, but about the loss of the sugar beet industry in this province. It would appear that the Minister of Agriculture is prepared to let the sugar beet industry die because he's in a blue funk with the Federal Minister of Agriculture.

In simple language and without histrionics, would the Minister of Agriculture tell the House why he is unwilling to sign the tripartite agreement?

MADAM SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Madam Speaker, I will, for my honourable friend for River Heights, try to be as brief as possible.

Madam Speaker, I wish to indicate to my honourable friend that for 25 years the Federal Government, including the Trudeau Government during those terms, supported the sugar beet industry in this country under

the Agricultural Stabilization Act. Mulroney's Conservatives cut off that support, Madam Speaker, in 1985, and attempted to offload, and did successfully offload its expenditures under that act onto provinces.

During those negotiations, in 1985, there were two agreements that we signed with the Federal Government: No. 1, that there will be a national sugar sweetener policy in the year 1985, which has yet to be met; and No. 2, that there will be no further funding required from the Provincial Government to that industry beyond the 1985 crop.

Madam Speaker, those two issues have not been met by the Federal Government and unilaterally the Federal Government not only did they cut off support to the sugar beet industry unilaterally, again, they attempted to offload by a move to say that tripartite is the only issue on the table. Madam Speaker, that is not true and we continue to stand by the agreement that we have with the Federal Government, notwithstanding the pressure of some Conservative members.

MRS. S. CARSTAIRS: With a supplementary question to the same Minister.

If I understand the Minister, what he is saying is because of the Federal Government renegeing on its responsibilities, the Provincial Government is also going to let this industry down. Is that the truth of the matter?

HON. B. URUSKI: Madam Speaker, I wish the honourable member would have heard what I said, and I am talking . . . - (inaudible)- provided \$3 million of support to the sugar beet industry. After the Federal Government reneged, Madam Speaker, in a response to the Federal Government's intransigent way, this government is prepared to commit an additional \$3 million to the industry over the next 10 years. If that is not being considerate of the industry, Madam Speaker, and being sensitive to the needs of workers in the plant in Winnipeg, I don't know what is.

Sugar beet industry - inadequate government support

MRS. S. CARSTAIRS: Madam Speaker, with a final supplementary to the same Minister.

Can the Minister explain why the farmers of this province do not regard this generous contribution by the government as being adequate to allow them to plant this spring?

MADAM SPEAKER: Would the honourable member care to rephrase her question so it does not seek an opinion?

The Honourable Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Madam Speaker.

Has the Minister sought the reasons from farmers who normally would plant sugar beets as to why they are unwilling to plant them this spring, considering the generosity of this government?

HON. B. URUSKI: Madam Speaker, part of the agreement that we had with the Federal Government was that there would be no further funding required by the Province of Manitoba to support that industry.

Madam Speaker, what the farmers have been waiting for and what this government has been waiting for is for the Federal Government to bring in a national sugar sweetener policy that would not require any further taxpayers' money to be put into the industry. Right now, the Federal Government is offloading 66 percent of their support for that industry and they're trying to put it on the heads of farmers and the Province of Manitoba.

Madam Speaker, they have been given no choice by the Federal Government. It's like having a gun pointed to your head, Madam Speaker.

MADAM SPEAKER: The time for Oral Questions has expired.

HANSARD CLARIFICATION

MADAM SPEAKER: The Honourable Minister of Finance with a point of order?

HON. E. KOSTYRA: A Hansard correction.

MADAM SPEAKER: The Honourable Minister of Finance.

HON. E. KOSTYRA: Yes, a correction in Hansard, page 783. It states that I said, "I can't confirm that the policy that was put in place," when it should read, "I can confirm that the policy that was put in place."

MATTER OF URGENT PUBLIC IMPORTANCE

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Thank you, Madam Speaker.

I move, seconded by the Member for Rhineland, that the ordinary business of the House be set aside to discuss a matter of urgent public importance; that being the intention of the Manitoba Government not to sign a tripartite stabilization agreement for sugar beets, a decision that will result in the termination of the sugar beet industry in Manitoba.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Virden, according to our Rule 27.(2), has five minutes to state his case for urgency of debate on this matter.

MR. G. FINDLAY: Thank you, Madam Speaker.

In my five minutes, I want to highlight the urgency to you, Madam Speaker, by first talking about the value of the industry very briefly; talk about the time constraints that we're facing in terms of the industry and the farmers; and then, thirdly, what has to be done in this House in order to meet the problems that lie ahead of us.

Madam Speaker, we are talking about a \$90 million industry. An industry which, in terms of importance to this government, means an income through various kinds of taxation - payroll tax, income tax, sales tax,

fuel tax; an income to this province of around \$12 million to \$15 million; an income directly to its tax coffers.

Madam Speaker, this industry supplies diversification to agriculture. Diversification is one of the ways in which Manitoba agriculture can be kept strong and healthy for the future, and sugar beets is one of the real important players in this field of agricultural diversification.

Madam Speaker, this is an industry where the processing occurs in Manitoba, where it creates an activity for 400 farmers. It creates jobs, 93 full-time jobs, at the sugar beet plant. It creates at least 150 part-time jobs at the plant, Madam Speaker.

It creates jobs in the trucking industry, maybe as many of 50 jobs in terms of hauling the beets to the plant and hauling the processed product away from the plant, plus the by-products from the plant. Madam Speaker, it's jobs for many people who work for companies that supply goods and services not only to the sugar beet plant, but goods and services to the farmers in the industry. It supplies goods and services to the trucking company that hauls those beets to the plant.

Madam Speaker, the Federal Government, consistent with the 1985 amendment to the Agricultural Stabilization Act, has offered to the Province of Manitoba and to the Province of Alberta a tripartite agreement. This agreement has been agreed to by the growers of Manitoba through their association. It has been agreed to by the growers of Alberta through their association. It's been agreed to by the Province of Alberta through their government, and the Government of Alberta and the growers of Alberta are prepared to sign that agreement on April 16, Thursday of this week, Madam Speaker. Four out of five participants in signing this complete agreement are prepared to sign. Only the Manitoba Government is not prepared to sign.

Farmers, Madam Speaker, must plant their sugar beets within two to three weeks. They must know whether they are going to have sufficient income from this crop in order to afford to plant the crop, Madam Speaker. They need to know right away. The reason they need to plant in two or three weeks is to take maximum advantage of the climatic conditions that exist at that time. If you don't plant sugar beets at the right time, the crop is going to suffer, Madam Speaker.

Madam Speaker, 73 workers at the sugar beet plant, as of last week or last Friday, received their layoff notices. It means that their jobs will terminate by July 10, Madam Speaker. Once that plant shuts down, not only do 73 permanent jobs disappear, but all those part-time jobs and indirect jobs will no longer be available, because you know and I know and every member in this House knows that if that plant closes because no crop is grown this year - and, Madam Speaker, they need 20,000 acres planted or there isn't enough product to run the plant - everybody knows if that plant closes, if it closes for one year, it closes forever. The industry is gone from this province forever, Madam Speaker. That's why we have urgency to this situation, Madam Speaker.

The time frame is even more tight than that, Madam Speaker. The Federal Government recesses the Parliament on Thursday of this week for a 10-day or 11-day Easter recess. The Province of Alberta has already committed that they'll sign the agreement by

Thursday of this week, Madam Speaker, meaning that if this government is prepared to bring forward any counterproposal, it will be impossible after Thursday of this week because the agreement will already be signed by all other participants in the agreement. They've got to bring the alternate proposals forward right away, Madam Speaker.

Madam Speaker, the question is: is this the earliest possible opportunity to bring this forward? I say yes, Madam Speaker, this is the earliest possible opportunity because we debated this issue for five hours a week ago today in Estimates and the Minister has not acted yet. He has not acted to respond to a letter that the Minister responsible for the Wheat Board sent to him on March 30. The growers want to know his response to this letter, Madam Speaker, and we've got two days to hear the response. Two days, Madam Speaker, if he's going to come forward with any alternate proposal. He has given us no indication that he's going to act in a responsible way in terms of supporting the growers and the jobs in this province, Madam Speaker.

We are asking this government, this Minister, to immediately do one of two things: sign the agreement as prepared; or, secondly, Madam Speaker, bring forward a concrete, meaningful, alternate proposal that the growers of this province and the Federal Government can look at and analyze.

Madam Speaker, this must be done before Thursday, and in order to expedite the process, we believe the Minister must announce his alternate proposal today or tomorrow, at the absolute latest, so that other participants in that agreement can then step forward and discuss it.

Madam Speaker, the urgency is for the farmers of this province and the jobs in the sugar beet industry in Manitoba; and, foremost, it is for the whole industry of this province that we urgently get at discussion of why this Minister will not respond to our request as has been put on this table.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Government House Leader has five minutes.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.
The Honourable Government House Leader.

HON. J. COWAN: The Member for Lakeside, Madam Speaker, sings from his seat, "Let Billie answer it, let the Minister of Agriculture answer it." I'm certain that when we go into Estimates in a few moments, they will get all the answers they need or require on this issue, Madam Speaker.

Madam Speaker, the member in putting forward the motion has spoken to the urgency of the situation. In fact we know that, notwithstanding whether or not the situation is urgent, the real question, according to Beauchesne and the rules which guide us in our review of whether or not to have these debates, is whether or not there are not other ordinary opportunities provided by the rules of the House that would permit the subject to be brought on early enough, and the public interest demands a discussion take place immediately.

Madam Speaker, there are, in fact, other opportunities for this matter to be brought forward. I'm somewhat surprised that the member would bring forward a suggestion for a debate on a matter of public importance on an agricultural issue, when we are right in the midst of the Estimates of the Department of Agriculture. He himself indicated, Madam Speaker, that they'd already spent five hours during the general discussion debating this particular issue and, if they need another five hours to be educated to figure out what the specific problem is with Ottawa, I know the Minister of Agriculture will be prepared to spend that time during his Estimates educating them.

The member has also suggested that the matter is, in fact, an urgent matter because the planting has to take place in a number of weeks. Well, I'd just like to -(Interjection)- well, he points out two weeks.

I'd just like to read to the member opposite a quote from today's paper from an unidentified executive of the Manitoba Sugar Beet Producers Association, which says: "Let's just say the timing of the layoff notices had a specific purpose." He goes on to say: "We don't have to plant our crop until the first or second week of May so the government has time to strike a deal." So even the association is saying that there is not the urgency that he would have us believe in the House debating this issue. Even the association says: ". . . the government has time to strike a deal."

Let's speak for just one moment to what that deal should be, Madam Speaker, because the issue is not whether or not we have to discuss this today. The issue is one of fairness to Manitoba farmers on the part of Ottawa. That is a point that we have tried to make in every answer and, I'm certain, during the five hours that this issue was addressed during the Estimates process to members opposite, that this is a matter of Ottawa being unfair, not only to the Provincial Government because we've grown used to that sort of unfairness and callousness from the Federal Government, but more importantly to the sugar beet producers, the growers, the association, the company and the workers, Madam Speaker.

If they wanted to use their time productively, if they wanted to put their time to use in a more urgent way, I would suggest that they take a few minutes aside - and we'd be prepared to adjourn the House temporarily to allow them to do that - to call their cousins in Ottawa and tell them to go back to the original agreement which they have reneged on, and to make certain that Manitoba farmers, all farmers, are treated fairly and with compassion by a Federal Government which pays lip service to that sort of treatment but, in reality, does everything it can to impose an unfair system on Manitoba sugar beet growers and the government as a Provincial Government, Madam Speaker. If they want to use their time effectively, let them get on the phone right now and start to make those phone calls, so we can have the right policy come out from Ottawa.

SOME HONOURABLE MEMBERS: Oh, oh!

MADAM SPEAKER: Order please, order please.

There are two conditions to be satisfied for this matter to proceed. The first condition has been met in that I received the proper notice from the honourable

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member of this motion. The second condition is that debate on the matter is urgent, and that there is no other reasonable opportunity to raise the matter.

The Estimates of the Department of Agriculture are now before the House. There is, therefore, immediate and ample opportunity to debate this matter.

I rule that the motion is out of order.

MR. F. JOHNSTON: Yeas and Nays, please.

MADAM SPEAKER: Call in the members.

The Honourable Member for Sturgeon Creek.

HON. J. COWAN: I do not believe that we have a question before us.

MADAM SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Madam Speaker, with all due respect, I must challenge the ruling. I said it the first time.

MADAM SPEAKER: The ruling of the Chair has been challenged.

Order please.

QUESTION put, MOTION carried.

MADAM SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Yeas and nays, Madam Speaker.

MADAM SPEAKER: Call in the members.

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

YEAS

Baker, Bucklaschuk, Cowan, Desjardins, Doer, Dolin, Evans, Harapiak (Swan River), Harapiak (The Pas), Harper, Hemphill, Kostyra, Lecuyer, Mackling, Maloway, Parasiuk, Pawley, Penner, Santos, Schroeder, Scott, Smith (Ellice), Smith (Osborne), Storie, Uruski, Walding, Wasylcia-Leis.

NAYS

Birt, Blake, Brown, Carstairs, Connery, Cummings, Downey, Driedger, Ducharme, Enns, Ernst, Filmon, Findlay, Hammond, Johnston, Kovnats, McCrae, Mercier, Mitchelson, Nordman, Oleson, Orchard, Pankratz, Rocan, Roch.

MR. CLERK, W. Remnant: Yeas 27; Nays 25.

MADAM SPEAKER: The motion of the Chair has been sustained.

COMMITTEE CHANGE

MADAM SPEAKER: The Honourable Member for Kildonan.

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

I have committee changes. I move, seconded by the Member for Ellice, that the Public Utilities and Natural Resources be amended as follows: J. Maloway replacing M. Dolin.

ORDERS OF THE DAY

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Madam Speaker, I would like, at this opportunity, to use my . . . - (Interjection)-

MADAM SPEAKER: The Honourable Government House Leader.

HON. J. COWAN: I move, Madam Speaker, seconded by the Minister of Health, 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.

MATTER OF GRIEVANCE

MADAM SPEAKER: The Honourable Member for Virden.

MR. G. FINDLAY: Madam Speaker, I would like to take this opportunity to use my grievance for this Session because of the actions of this government, or inactions of this government, in terms of policies they seem to be bringing forward of turning their back on the agricultural industry. Madam Speaker, this is a very serious matter. Not only are we talking about a problem in the sugar beet industry, we are talking about a philosophy of how this government looks at agriculture in the broad sense.

Madam Speaker, this province in the agricultural industry has benefited very much over the years from diversification; diversification, in terms of growing crops other than cereal grains, which are in surplus supply on the world market and are year after year. Madam Speaker, this province grows sunflowers, grows corn, grows sugar beets, grows peas, grows lentils, grows potatoes, grows vegetables, and it grows beans of various types. Madam Speaker, we have the climate to grow this. We have the technical and management capability in our farmers to grow these crops, Madam Speaker, and if Manitoba is to continue to be economically, at the agricultural level, one of the stronger of the three prairie provinces, we need to continue to do this.

It's a very serious situation when we have a government, a provincial government in this province where all these options and these advantages are ours, that is taking an attitude that the decisions we make about this industry shall be political. They shall not be in the best interest of the industry. They shall not consider the opportunities, the advantages, the natural advantages that we have here in climate and farmer management ability.

Madam Speaker, our climate is one to be envied by all growing areas of Manitoba. We have the frost-free

days that allow us to grow sugar beets, we have the soil quality that allows us to grow this crop and all these other diversified crops, Madam Speaker. Why do we want to turn down the industry, Madam Speaker? That's why we feel there's an urgency. That's why I believe there's an urgency, that we make this government come forward with a decision that's in the interest of the growers, of the workers, of all the taxpayers of this province, Madam Speaker.

Madam Speaker, in the Estimates period I identified to the Minister and he agreed that if we look at agriculture in the future we're going to be strong because of diversification, we're going to be strong because we have value-added industries. We have processing in this province, Madam Speaker, that supplies hundreds and hundreds and hundreds of jobs and this Minister, now, today, votes against an opportunity to debate the issue as to whether that principle is in fact something he espouses or is something he says "no" to. He is speaking out of both sides of his mouth, if he is both against a motion of this nature, and turns down an industry of this nature.

(Mr. Deputy Speaker, C. Santos in the Chair.)

Mr. Deputy Speaker, our value-added industries are many and varied. The sugar beet plant is only one of those industries. The meat-packing industry, Mr. Deputy Speaker, is also one of those industries that Manitoba benefits from because the growers produce the product here and it's processed here in this province.

Mr. Deputy Speaker, we have a gasohol plant in Minnedosa, thanks to the Lyon Government. They got behind it; they put it in place. Also in Minnedosa, and you have to give the good people of Minnedosa and the Member for Minnedosa credit, because they have an alfalfa processing plant in Minnedosa. How many jobs in that town, because of those two value-added industries, Mr. Deputy Speaker? Yet this Minister, this government says, "No, we don't need those. We can just turn our back on them, that's okay and somehow it will happen because we made a political decision that they shall not be in place."

Mr. Deputy Speaker, I can go on further and I think I will. Crushing plants in this province, CSP Foods at Altona established many years ago has a very excellent track record as to how you can develop a plant from the grass roots and it processed the product here in this province. And they expanded to Harrowby a few years ago and I give them all kinds of credit for doing that. That puts a value-added industry in my part of the province. But not too long ago, Mr. Deputy Speaker, in fact just a few months ago, the Rock Lake crusher, which has been on the works for two, three, four years, eventually came to the conclusion that it cannot be built. This Minister hasn't acted to help it get in place, he hasn't said anything about it, yet he turns his back on value-added industry, Mr. Deputy Speaker. The Portage pickling plant that was in place; it was a good idea. A member on this side was very prominent in establishing it but it ran into trouble because of currency exchange, Mr. Deputy Speaker.

This province needs those value-added industries. It desperately needs them. It needs the primary producers to supply the product to keep these plants going, the jobs that they create directly and indirectly.

Mr. Deputy Speaker, I'm sure this Minister has no real idea of what he is doing when he turns down an industry of this size.

Mr. Deputy Speaker, in the meat-packing industry, just as recently as last Friday, 450 people left the plant for the last time, 450 people who have to find an alternative type of employment in a climate where jobs are not all that plentiful. There are another 450 jobs in that plant that will eventually be lost - 900 jobs right there. Add in the 100 permanent jobs at the sugar beet plant and even the Minister of Agriculture can do that arithmetic to see where the 1,000 comes from.

Mr. Deputy Speaker, even people who they support very strongly, the union people have to be asking questions, about what is this government doing in terms of supporting them? The UFCW, a union that I'm sure this government backs is probably losing around \$100-\$112 thousand in union dues just from the 450 workers that left Canada Packers for the last time. And that is going to hurt their ability to survive as a union. It's going to hurt their ability to speak out for their members. The UFCW has also, Mr. Deputy Speaker, written to the Minister as recently as September, asking him on behalf of the workers of the sugar beet plant, that the province sign a tripartite agreement so that the growers can carry on producing beets so that the workers of the plant have something to work with. He hasn't acted on their request. He has turned his back on them again.

Mr. Deputy Speaker, Burns at Brandon has announced a fairly active expansion program but now they're reconsidering it. They're reconsidering it because there isn't enough finished animals produced in this province, Mr. Deputy Speaker. One of the reasons? Because this province, this government, this Minister has not brought forward a stabilization plan for the feedlot operator. We've asked him several times, we've debated the resolution. He doesn't act. I know he's drafted up a proposal and taken it to Cabinet but what has been the result? Nothing. Just nothing. He just shrugs his shoulders. Every major province in this country has a stabilization plan for its feedlot operators. But not this province and he's losing the packing industry because of that decision. Is he happy that the packing industry is prepared to leave? Burns tell me they have to get 75 percent of their cattle to keep their Brandon plant going, 75 percent of them have to come from Saskatchewan. Mr. Deputy Speaker, does not this Minister wonder why is that the case? Why cannot beef be produced in Manitoba? Why doesn't he come forward with a meaningful proposal to keep the feeding industry healthy in this province, Mr. Deputy Speaker?

It's lack of action. It's because he makes political decisions on industry-related problems. All we ask is think of the industry first and the politics second but no, no. As recently as last Thursday, Mr. Deputy Speaker, this Minister told me very clearly he always makes the political decision, always. And that, I find deplorable.

Mr. Deputy Speaker, there's no doubt in my mind that this Minister has a policy of abandoning agriculture, abandoning agriculture in its eleventh hour. Mr. Deputy Speaker, this Minister should be working cooperatively with the growers in this period of difficult time, all growers, all agricultural producers, and he should work cooperatively with the Federal Government.

I remember in the 1981 election, the Premier, the then as it turned out to be Premier unfortunately, said

we must work cooperatively with all levels of government. What do they do? Ever since I've been in this Legislature, Mr. Deputy Speaker, last Session, this Session, all we hear is fedbashing. Where is this attitude of working cooperatively? It's not there any more. It was a buzz word that they used to win the election - now confrontation, fed bash.

Mr. Deputy Speaker, there's no doubt that this Provincial Government and this Minister, by taking the political route every time, have made a clear decision. We're already fighting the next provincial election. We shall call up before the federal election, and we will fed bash from now until that time. They are going to run the next election on the backs of the farmers who are already in a depressed state of affairs. We'll make the political decision right on their backs, fed bash, use every avenue we can. That is where we're at, Mr. Deputy Speaker. That's why I'm up here today.

HON. B. URUSKI: Even Don Getty had more sense than you guys.

MR. G. FINDLAY: Mr. Deputy Speaker, if the Minister of Agriculture has something to say to this House, I would ask him to rise to his feet after I have spoken and put his grievance on the table.

Mr. Deputy Speaker, I have in front of me the National Agricultural Strategy signed by this Minister of Agriculture. He has never tabled this in the House. He's never said anything about it. He dragged his feet for two or three days in terms of signing it. Eight of the ten Agriculture Ministers signed it down in Eastern Canada. He dragged his feet until the First Ministers were meeting in Vancouver, and then he signed it.

But, Mr. Deputy Speaker, for the record, I want to take this opportunity to read into the record what this Minister signed. In respect to what he's doing now, Mr. Deputy Speaker, I think, when I'm finished reading this, he may well want to resign as Minister of Agriculture.

Mr. Deputy Speaker, I will read first from the news release, from Mr. John Wise: "At the recent First Ministers' Conference in Vancouver . . . - this is on the 20th and 21st of November, 1986 - . . . my provincial colleagues and I tabled a National Agricultural Strategy, a copy of which is enclosed. This document, which was unanimously endorsed by all Ministers of Agriculture, represents an important first step in addressing a number of serious challenges facing Canada's agriculture and food industry." I turn over to the first page, and I see the signatures of all the Ministers of Agriculture, including one "Bill Uruski, Minister of Agriculture, Manitoba."

Mr. Deputy Speaker, I will pick comments out of this as I work my way through it: "No. 1, a National Agricultural Strategy," and I quote, Mr. Deputy Speaker, "in working towards this strategy, we have arrived at consensus on a number of principles." Mr. Deputy Speaker, remember, this Minister signed this. He obviously believes in what is written in the document, No. 1, "Full recognition of the sharing of jurisdiction relating to Section 95 of the Constitution." Mr. Deputy Speaker, I would like to read that again. "Full recognition of the sharing of the jurisdiction relating to . . . "Agriculture.

Mr. Deputy Speaker, No. 2, "Government action that is equitable and sensitive to regional economies," and

regional economies means Manitoba. It means sugar beets, it means value-added industries. There are only two provinces still producing sugar beets, Manitoba and Alberta.

No. 3, Mr. Deputy Speaker, "Government action that is market oriented and promotes the competitiveness of Canadian agriculture, while ameliorating the full hardships facing Canadian farmers exposed to market distortions caused by foreign policies," and the low sugar prices are clearly the result of foreign policies. They're due to dumping into this country of sugar from places like Cuba, South Africa and Australia. He likes to have sugar come from South Africa instead of southern Manitoba, Mr. Deputy Speaker.

Mr. Deputy Speaker, as I carry on under principles, "support the family farms in times of substantial need," and, Mr. Deputy Speaker, I guarantee you, we are at those times.

No. 5, under principles, Mr. Deputy Speaker, "Full recognition of the importance of the private sector in developing government programs," and therein lies the importance of the sugar beet plants and the jobs they provide in this province and the revenue they supply to this government.

No. 6, Mr. Deputy Speaker, "effective cooperation among governments." That Minister signed this document which said that, and all he does is fed bash and try to dump responsibility. He's never responsible for anything, somebody else is to blame. What does he do in his time as Minister of Agriculture, Mr. Deputy Speaker?

Based on these principles, Mr. Deputy Speaker, as I read, "We have worked together, focusing on the following key elements of the National Agricultural Strategy, and No. 1" - I will read only one from this area - "measures to improve farm financial security." And that is tripartite, Mr. Deputy Speaker. That's what it's all about, and this Minister signed it.

The second one I'd like to read in this area, Mr. Deputy Speaker, and it's a very significant statement and one that I believe very much in: "The challenges are considerable. We share the concerns of the Canadian agriculture and food industry over its future, and we have developed an action plan to deal with the priorities we have identified" - an action plan, Mr. Deputy Speaker. "As Ministers of Agriculture, we will work within our governments to identify the resources needed to put the plan into place. This action plan reflects our acceptance of the mandate given to us by the industry and by the First Ministers."

(Madam Speaker in the Chair.)

Madam Speaker, glad to see you're back in the Chair. Madam Speaker, this Minister of Agriculture signed an agreement which his First Minister had authorized. In other words, by not acting on what principles are in here, he is turning against his First Minister.

I finish the quote, Madam Speaker: "As we implement this National Agricultural Strategy, we will meet the challenges placed before us." Madam Speaker, this Minister has a very significant challenge before him, and how does he meet it? He fedbashes. He doesn't cooperate; he fed bashes.

Madam Speaker, could you tell me how much time I have left?

MADAM SPEAKER: The honourable member has 24 minutes to go.

MR. G. FINDLAY: Thank you.

Madam Speaker, there are many other sections of this National Agricultural Strategy I wanted to read into the record, but I've read the important ones in - cooperation, participation in federal programs related to farm support like tripartite, supporting the family farm. I think that's sufficient. The message should be clear.

Madam Speaker, I would like to spend a few minutes going over the history of the sugar beet situation, which this government seems to want to - I won't say distort - maybe give it a little out of focus with the reality.

Madam Speaker, the sugar beet industry, in talking with the growers, is one of prices are up and prices are down, almost like any other commodity in agriculture. We have the good days; we have the bad days. But in the sugar beet industry, it tends to be high prices in about 2 years out of 10. That's the basis over which the tripartite agreement was drawn up, that there shall be at least 2 years of reasonably high prices and 10 years of moderate to low prices. The tripartite plan is to stabilize the incomes of the growers from year to year, so there's a more average and uniform level of income.

Madam Speaker, in 1973, in 1974, we had two years of very high income. In 1975, the growers and the company, when it came time to sign the contract for 1975, took very responsible action, and they agreed to keep the price down so the consumer would not be paying quite as much for sugar as they would be if they followed strictly the market forces and the prices in early 1975. The growers and the company have got to be congratulated for saving the consumers of Manitoba some money in terms of purchasing sugar that year.

As it turned out, as 1975 went by, the world price, the market price, did decline somewhat and, by 1986, it was down substantially from '73 and '74. It's been down until '79, and we had two high years again in '79 and '80.

The growers have been surviving this over a period of time. In 1985, they looked for a tripartite agreement or some degree of stabilization from government. A one-year agreement was arrived at involving the Federal-Provincial Governments in Alberta and Manitoba.

Madam Speaker, this government makes much of a letter sent in the spring of 1985 to this government saying that if you sign this tripartite agreement for this year, no more provincial money shall be needed in this agreement. Madam Speaker, they even said that statement so many times, I can't even count that high, and I can count fairly high, Madam Speaker.

But, Madam Speaker, the reality of having that letter sent was because this government was acting then like it's acting now. It would not come forward and say yea or nay. It would not offer any counterproposal. It just sat there and dug in and said no, no, no to the sugar beet industry, Madam Speaker. It said no every time the growers came forward.

And what leverage did the Federal Government have but to say, for goodness' sake, we're desperate; sign

now and we'll let you off the hook. It was an ultimatum, the only ultimatum that was left, and finally they got them to agree; but, Madam Speaker, after that, the agricultural stabilization was amended by Bill C-25, which requires that any future stabilization plans shall be of a joint relationship between Federal-Provincial Governments and the growers. Therein is the truth; that's where we're at.

A MEMBER: Like apples.

MR. G. FINDLAY: Apples.

A MEMBER: Soybeans.

MR. G. FINDLAY: Apples.

A MEMBER: Winter wheat.

MR. G. FINDLAY: Madam Speaker, the member mentions apples. I would like to talk about apples, Madam Speaker.

The apple situation was for payments in '83 and '84, prior to the amendments . . .

A MEMBER: Did the sugar beet farmers get theirs?

MR. G. FINDLAY: Madam Speaker, that's a very important question the member raises. Did the sugar beet growers get their money? Madam Speaker, for '83 and '84, yes, they got their money. It was the money that was brought forward in 1986 as a seeding incentive because this government again would not sign an agreement for the long term. That's where the money came from. The growers negotiated that because this government would not negotiate on their behalf. That's where the money came forward; it was used in 1986 to keep the sugar beet industry alive in this province as well as Alberta.

Madam Speaker, a news release of March 12, 1986, saying that future programs will be of a tripartite nature, and for a whole year this Minister will not sit down and bring any counterproposal to the table. Alberta was prepared to sign a tripartite agreement in 1986, but this government would not get involved, would not participate in a meaningful way where all other parties were prepared to go. So the seeding incentive idea came forward in '86. The '83-84 stabilization money that was to be paid to the growers, it came forward in that fashion. The Growers Association negotiated it. They're satisfied in '86.

Here we are in '87, one year later, and, Madam Speaker, how has this Minister reacted in terms of carrying forward discussion of bringing something to the table? A meeting held in 1985, in Toronto, this Minister failed to go. He didn't send anybody. A meeting held in Winnipeg in early '86, he wouldn't even attend a meeting in his own province to deal with his sugar beet producers. The sugar beet growers go there, and where's our government? We don't know. They don't care about us, and that's still where we're at. They don't care.

There are numerous communications come forward to this Minister from the growers: meetings with the growers, meetings with members of the Federal

Government. His staff is meeting, but do they bring anything meaningful to the table? Only one thing that I know of, Madam Speaker, that they brought forward. In the meeting in Calgary, to deal with tripartite, and he says he wasn't in favour of it, but yet he brought Mr. Craig Lee, his Assistant Deputy Minister, and brought forth a type of counterproposal that, over 120 percent, the growers would participate in terms of paying a higher levy than the Federal-Provincial Governments. They put something on the table then. It was accepted by all parties. They said, fair enough, we'll alter the tripartite agreement to that extent if that seems to be what they wanted.

That was all they brought forward at that time, and everybody went away happy, so the Provincial Government of Manitoba seems to be satisfied that what they brought forward was incorporated into the agreement; but when it came time to put it in on paper and ask for a signature, oh no, all of a sudden, we take the political route now. We don't want to cooperate, even though we signed a National Agricultural Strategy which says we shall cooperate.

What do we do? Hey, this is a political thing now! We've got to fedsbash. We've got to ride on the backs of the farmers into the next provincial election. It's clear; the path is clear. Farmers shall suffer because this Minister wants one more term to try and totally destroy the industry. One more term to destroy the industry, Madam Speaker.

Madam Speaker, in this agreement this Minister indicates a couple of concerns. When we had the debate last Monday, he identified two concerns. He said no more than \$315,000 per year in terms of the provincial levy, fair enough, even though there's probably going to be needed somewhere between \$240,000 and \$570,000.00. But, Madam Speaker, that's not a significant problem, I'm sure, in the Minister's mind. The major thing, he said, we shall have no deficit at the end of the plan. The Federal Government says all agreements are 50-50 in terms of responsibility for deficit at the end of the plan. Madam Speaker, has the Minister put anything back in terms of counterproposal in terms of how to handle that deficit? No, he just keeps on fedsbashing.

We even identified this to him the other day. He didn't agree with us at all, but I will put it in front of him again. A committee of six: somebody could be appointed by him, the Province of Alberta, two by the Federal Government, and two by the growers - one from Manitoba, one from Alberta; and it's their responsibility to adjust the levies to be paid each year and to determine the stabilization payout, the formula to be used, and I can easily see that they can be very clearly given the mandate to assure that this plan is actuarially sound over the course of 10 years. And if 10 years is not long enough, why doesn't he propose that the agreement be 15 years or 20 years, or some period of time which he could be pretty well assured it could be made actuarially sound? Madam Speaker, the options are his, but does he respond? No.

He came to this House in 1982 with an actuarially sound beef plan. He should know what it's all about. He knew all the answers back in 1982. I'm sure his track record will show how he knows all the answers. It should be clear to the members, to all producers of Manitoba, that this Minister knows what actuarially sound means, Madam Speaker.

Madam Speaker, just as a little aside, he did find out what actuarially sound meant, that he meant that his department could not come up with something that was actuarially sound, so they had to lower the support level and jack up the levies. He knows what that's all about. He's done it himself. He's done it unilaterally and without consultation - bang - contrary to the agreement signed.

A MEMBER: Now, now, now, now.

MR. G. FINDLAY: Yes, now, now, now. He didn't make the choice, Madam Speaker; that's what he said. He's Minister of Agriculture, but he's not responsible. Where have I heard that before? Where have I heard that before?

Madam Speaker, also within this tripartite agreement, there's a sum of some \$2 million to \$3 million that will come into the plan annually because of External Affairs permits on bringing sugar into Canada and subsequently exporting it to the United States, and there's a profit to be obtained from that transfer of sugar through Canada into the United States, and that \$2 million to \$3 million has been allocated to the stabilization fund. Again, an option to reduce the liability of this government, the Federal Government and the growers, but yet he's prepared to turn this down.

If he turns this down, as the Province of Manitoba, and he continues to turn it down from now till Thursday, that means that Alberta's going to sign. Alberta will be the only province producing beets in this country. And I tell you, the Province of Alberta, the growers are sitting there just praying that Manitoba doesn't sign because they get all of that \$2 million to \$3 million then. Not half to Manitoba and half to Alberta - all of it goes to Alberta.

Madam Speaker, not only does Alberta want that money, they want Manitoba out of the industry so they can expand their acres. They'd love the opportunity to produce a diversified crop, and they're hoping that this Minister does not sign so Alberta can then get two steps up on this province instead of one where they're at right now, Madam Speaker.

Madam Speaker, this Minister makes much of the need of a national sugar sweetener policy. The Tariff Board is meeting and will make recommendations within a month on that issue. They were to have made recommendations by the end of March, Madam Speaker, but you know how government runs. This government drags its feet as well as anybody. They have a hundred and five submissions to deal with. They've asked for extra time. They've been given approximately two more months to report.

Madam Speaker, when that sugar sweetener policy is arrived at and the Tariff Board can only recommend then there has to be considerations by Cabinet and some legislation brought in, if they do come up with a national sugar sweetener policy, it can be incorporated into the tripartite agreement. Any agreement at this time can be written such that is incorporated and, if a floor price for sugar is part of that, it reduces everybody's liability at the end of the stabilization plan.

Madam Speaker, it's so straightforward, it boggles my mind that this Minister cannot put this on the table as a counterproposal. He sits there, sits there, he let's

time go by, let the industry go to Alberta, that's a good strategy. Madam Speaker, it's a deplorable strategy. It's detrimental not only to growers of Manitoba, but it's very detrimental to jobs of Manitoba, and it's detrimental to this province in terms of government revenues to the tune of 12 million to 15 million.

Madam Speaker, could you tell me how much time I have left?

MADAM SPEAKER: The honourable member has seven minutes.

MR. G. FINDLAY: Thank you, Madam Speaker.

A MEMBER: Don't get mad.

MR. G. FINDLAY: Madam Speaker, I don't think this is a time to get mad. I think it's a time to look at the realities, the seriousness of the situation that is in front of us. Madam Speaker, we're asking this government to look at the realities, to look at what they're doing, look at the amount of money they have to put forward relative to the amount of money they get back.

Madam Speaker, we have a \$90 million industry, total economic activity that's created. It's around 12 million to 15 million at the farmgate, but it goes to processing. There's trucking involved, there are jobs involved. It's a very valuable industry, Madam Speaker, and nobody has disputed that it's not \$90 million of economic activity. It involves 400 farmers, Madam Speaker, being able to have a livelihood. It's family farms, Madam Speaker, family farms. In the National Agricultural Strategy, it's what this Minister signed that he supported.

Madam Speaker, it involves 93 permanent jobs at the sugar beet plant. It involves at least 150 part-time jobs of various duration. But to the people who get those jobs, the revenue they get, I'm sure, is very important to them. Madam Speaker, it involves a lot of trucking. It involves a very large trucking company and a lot of jobs of driving the trucks, Madam Speaker. That's what will disappear if this government does not act. Madam Speaker, it involves a lot of jobs in the goods and services industry, goods and services supplied to the sugar beet plant. They use laundry; they use hydro; they use water; they use bags. There are a number of different jobs related to supplying that plant with goods and services. There are goods and services to the growers, Madam Speaker. They buy fertilizer; they buy chemicals; they buy fuel; they buy machinery; they go for repairs, Madam Speaker. This all stimulates the economic activity of this province, Madam Speaker. That's what the Minister's turning his back on.

The trucking industry, the people who drive trucks are paid salaries. The company buys the trucks from somebody, Madam Speaker. The trucks are made by somebody, Madam Speaker. They burn fuel which people make money off of selling. They use repairs, Madam Speaker. They pay for licences, they pay fuel tax. It's so obvious that we need to keep economic activity going in this province. Madam Speaker, I said it before and I want to say it again, this government, by turning this industry down - and I say they've got two days to show some level of responsibility or it is

on the road of decline with no opportunity returned, Madam Speaker.

This government will lose 12 million to 15 million of direct income to them through the taxation route. Madam Speaker, there's sales tax, there's income tax, there's payroll tax, there's fuel tax, there's corporate tax, and all the other taxes they keep adding on. They're paid to this government by law because of economic activity created by this industry, by these farmers, by these jobs, by the people who own companies, the people who build trucks, and on it goes, Madam Speaker.

Madam Speaker, this Minister's credibility is on the line if he turns this industry down, because of what he signed in the National Agricultural Strategy. He signed as a responsible Minister with certain principles involved, and now he turns his back on those very principles, turns his back, Madam Speaker, on the principles, on an industry because, he says, I have to make a political decision, not a responsible industry-oriented decision, a political decision.

Madam Speaker, if this plant closes, there are a lot of livestock feeders and livestock producers in this province who use beet pulp. Where are they going to get the beet pulp from if this plant closes, Madam Speaker? It'll have to be trucked in from Alberta and, again, Alberta wins and Manitoba loses. Maybe they're three steps up on us now instead of one a month ago, and two now and three a little later.

Madam Speaker, has this Minister asked the growers how much money they have invested in specialized machinery for sugar beet production? Has he asked them what they will do with it when the industry dies? Or does he care? Madam Speaker, does he care? How much money does each grower have tied up in specialized equipment. If this Minister says, oh we don't need the industry, so where do they sell their machinery? Where do they sell it? Do they go to Alberta and try to peddle it off there at one-third of its value or one-quarter of its value? What's it worth, Madam Speaker? Has he asked them? Has he addressed the issue? Has he had his staff look into it? I doubt not! And if they have, I dare him to get up and tell us.

Madam Speaker, just for his benefit, he might just be interested in knowing that, when Quebec shut down the industry, they paid their growers compensation for the loss of outdated equipment. Madam Speaker, is this Minister prepared to put that money forward for the growers of this province whose machinery will now be obsolete because there is no industry? I would like to hear him answer it, Madam Speaker.

Madam Speaker, what I'm up here today to do is try to draw attention in the eleventh-and-a-half hour to this government's desire to make political decisions to turn their back on a very significant diversified industry, a very significant processing industry in this province. It's a natural for us. We should be expanding it, not contracting it to zero. The logic of turning our back on this industry boggles my mind, Madam Speaker.

I do not know what more to do than to draw it to his attention again and again until he comes forward with a statement to us in this House. Is he prepared, No. 1, to sign the agreement as presented? Is he prepared to? I want to hear his answer directly. Tell the producers, tell the members of this House, tell the press, tell everybody. Is he prepared to sign it, yes or no?

If the answer is no, let's hear his counterproposal. If he really cares about producers' family farms, diversification, stabilization, if he cares about all those things, is he prepared to bring forward a counterproposal? He's had the letter from the Minister responsible for the Wheat Board, March 30 letter in his hands for two weeks now, Madam Speaker. Has he yet come forward with an alternate proposal? If he has an alternate proposal, I say put it on the table today, because the eleventh-and-a-half hour is here, Madam Speaker.

On Thursday of this week, the Alberta Government is going to sign that agreement. The Federal Government has said very clearly, once Alberta has signed, there's no further option to negotiate the terms of the agreement, Madam Speaker, so that Minister has till Thursday to convince the other parties that a counterproposal should be considered, Madam Speaker. Also on Thursday this week, Madam Speaker, the Federal House recesses for the Easter break for about 11 days. Therefore, that puts us into a stagnant period for 11 days. If something new has to be brought back to Cabinet, they're not going to be there to do it.

Madam Speaker, this Minister owes it to the growers of this province, the workers at the plant, the members of this House, the taxpayers of Manitoba, to bring a counterproposal to the table that is meaningful and is designed in the best interests of all the growers, all the jobs in this province and all the taxpayers of Manitoba.

Madam Speaker, I give you the figures one last time. The levy each year is \$300,000, \$400,000, maybe up to \$500,000 a year. The balance against our revenue from the industry is 12 million to 15 million a year, Madam Speaker.

MR. H. ENNS: Where's your logic?

MR. G. FINDLAY: Where's the logic in what this government is doing, Madam Speaker? They're biting their nose to spite their face, and they're destroying a number of family farms in the process, a number of jobs, good jobs, well-paid jobs at the sugar beet plant. Also they're further destroying the UFCW union which has already lost a lot of due-paying members at Canada Packers, and they're now trying some very questionable tactics at Springhill to offset that, Madam Speaker. I think the Minister should be responsible and keep this industry alive, keep the principle of diversification in agriculture in Manitoba alive and well, and look at what's good for the industry, not what's politically good for him and his government in the next provincial election. Madam Speaker, I ask for very responsible action on his part.

Thank you.

QUESTION put, MOTION 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 the Department of Agriculture; and the Honourable Member for Lac du Bonnet in the Chair for the Department of Health.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - HEALTH

MR. CHAIRMAN, C. Baker: Committee, come to order.

The last time we were in Gerontology at the bottom of page 88. Who's got the first question?

Mr. Orchard.

MR. D. ORCHARD: I think there were some questions posed that the Minister was going to answer, Mr. Chairman, I believe.

MR. CHAIRMAN: Do you have them, Mr. Minister?

HON. L. DESJARDINS: I was asked a question re the travelling time for the provincial gerontologist. I think that you'd have to understand how this person was organized - I say this especially in her absence - but this person is so dedicated that she works weekends and evenings. That's pretty well all she does. She has a computer at home also to be able to work at home just as easily as at the office.

She is very much in demand. She's pretty well world-renowned in the field of gerontology and she does travel quite a bit. There hasn't been a single instance where she's been out of the country, and at most of the meetings also in the country, that the Provincial Government has had to pay for it. It's either herself on holidays - she's, as I say, dedicated to that - so she'll take a busman's holiday and go to another one of those meetings and so on, or she's brought in as a speaker.

So every single one of her days are during her holidays she took, her holidays that she accumulated. So I think we're very fortunate. If she started charging us the hours that she works, the weekends and so on, it would be very costly. As I say, we're lucky to have that type of person, and I think that we are ahead of most provinces, if not all of them, in our services to the seniors.

MR. D. ORCHARD: Mr. Chairman, maybe I missed the Minister's answer. How many days were involved in out-of-province travel?

HON. L. DESJARDINS: In what?

MR. D. ORCHARD: In out-of-province travel.

HON. L. DESJARDINS: There were 30 days out of province, and they were all taken for her holidays. She had 39 days of holidays, something that had been accumulated that we agreed with.

MR. D. ORCHARD: Just let me make sure I understand here. You're saying that of 39 days of accumulated holidays, the director of Gerontology used 30 of those out-of-province holidays for work in the department and didn't take any other time off?

HON. L. DESJARDINS: There were 39 days entitlement of those that had been accumulated, and she took the remaining nine days of holidays some in November and some in March. That is travelling; Ottawa a few times - that might explain why - Washington, D.C., Montreal, Quebec City, New York, Chicago, Toronto, West Palm Beach.

MR. D. ORCHARD: So, Mr. Chairman, I just want to make sure I understand the dedication here, because it sounds, as the Minister has already indicated, not only would they be above the call of duty, but well above the call of duty.

HON. L. DESJARDINS: There's no doubt about that at all.

MR. D. ORCHARD: Of the 39 days entitlement of vacation, the director has used 30 of those holiday entitlements in out-of-province commitments, and I would assume most of them in conjunction with her professional experience, and the balance of the time she is spending working for the department?

HON. L. DESJARDINS: She's still . . . Let me give you some information.

For instance, there were four days in New York which she paid for. Now that is something where she will meet with people. That was not any specific meeting or such. That was four days to get some information out there. There were two days in Montreal, those which she was paying herself, and three days in Chicago, and then there was Health and Welfare Canada brought her in for a couple of days, Statistics Canada, American Association of Retired Persons, Canadian Association on Gerontology, United Nations in New York, Ontario Universities and Colleges, Statistics Canada again, Southmark Foundation on Gerontology, and Ontario Universities and Colleges.

MR. D. ORCHARD: And those were places she went . . .

HON. L. DESJARDINS: At no cost to the province and also during her holidays.

MR. D. ORCHARD: That's what I wanted to make sure of.

Mr. Chairman, under Other Expenditures, there are grants which are presumably to go up by approximately \$220,000 for round figures. Now, Mr. Chairman, the Minister provided us the other day with a list of Manitoba health grants, and I don't believe gerontology was part of that.

Could the Minister explain the increase in grants?

HON. L. DESJARDINS: Mr. Chairman, I believe my honourable friend forgot that I answered that last year. This is the list. These are not grants to different associations, as usually is the case. Remember I gave the list of those that we were helping with meals or attendance resource coordinator or community resource coordinator. Those are the grants on that program of support services to the elderly. This is what comes under Grants, and I gave you the Bethel Place, Columbus Manor, Northwest Winnipeg, and the different regions and so on, for a total of 1986-87 projected of 590.2 thousand and projected for 1987-88 of \$1,126,400.00. That is what I had on the chart in my opening remarks also where I give you the different programs that we've had over the last few years.

MR. D. ORCHARD: Mr. Chairman, the adjusted vote, in total, the Minister indicated that of the \$901,000 in grants, 590.2, if I heard him correctly, were projected to be expended by year-end.

HON. L. DESJARDINS: That was the projected 1986-87, yes. For 1987-88, it was \$1,126,400.00.

MR. D. ORCHARD: Mr. Chairman, what we in fact are asking to approve here then, in terms of actual expenditures year-over-year, is almost a doubling of the grants to various organizations.

HON. L. DESJARDINS: That's correct.

MR. D. ORCHARD: Are there new organizations to be funded under this and, if so, who are they, what is the application process by which . . . This looks like a relatively easily accessible pool of money that senior citizens associations may well avail themselves of, and I'd like to know some of the criterion under which the grant structures are arrived at.

HON. L. DESJARDINS: There are two reasons for that. Firstly, they represent in some instances, many instances, just part of the year, not a full year; and also, as far as the application, it would go to the inter-agency committee, a special committee on the support services that make a recommendation, then it will come to the department and myself, and then through Treasury Board before it's approved, if it is approved.

MR. D. ORCHARD: Okay.

HON. L. DESJARDINS: And the criteria, this is something that would help the people stay in their own home, in their residence, instead of having to be hospitalized, and it is only to a non-profit - we'll receive applications and accept applications only from non-profit groups.

MR. D. ORCHARD: The Minister just shed a new light on the grant structure here.

Let me use an example of an individual whose home is not wheelchair accessible. They need a lift or a ramp to get into their home. Is that a qualifying . . .

HON. L. DESJARDINS: This could be for meals, for helping with shopping, transportation, in some instances. Also staff has a tenant resource coordinator in the larger places like on Smith or a community resource coordinator and so on.

MR. D. ORCHARD: Then am I correct in assuming that you fund senior citizens' organizations from which they then will hire staff to provide services?

HON. L. DESJARDINS: To coordinate the service, instead of just providing the service. We coordinate the service. That's why, for instance, at 185 Smith, there's a tenant resource coordinator and there are a lot of volunteers in that area. That's on 185 Smith.

MR. D. ORCHARD: Then is it fair to assume that, out of the grants, a portion of that are grants to pay salaries?

HON. L. DESJARDINS: Yes, but not to deliver the service as much as coordinate the volunteers who will deliver the service.

MR. D. ORCHARD: So that, Mr. Chairman, if I can be specific, is this another layer of staffing in addition to - because presumably, in Regional Services, you have people who are to coordinate the delivery of service.

HON. L. DESJARDINS: No, these would be new people, for example, a situation like I mentioned on Smith Street who would work with the tenants in a large senior citizens' housing or some of them. That's not all they do in there. Mostly, it's meals and so on. It's a program that is supporting frail and at-risk seniors in their effort to maintain their independent community living outside of an institution and so on.

These people are not our staff at all. They either work in Oakbank and Beausejour, Mr. Chairman, in those areas, but mostly in Foxwarren and - people apply for this service, and then we assist the community in assisting their seniors to live independently.

MR. D. ORCHARD: Mr. Chairman, I have to admit I'm somewhat confused at how organizations would go about getting this funding.

Can I pose the question - and I'll use one of my communities - in Morden or in Carman where there is a substantial senior citizens population and there is substantial senior citizens accommodation - apartments, Legion House, Boyne Towers, etc., etc., all run as non-profit housing - is money available here, for instance, for the Carman Housing Authority to make application to receive grant money whereby they would retain then a coordinator of services for some 75 to 150 apartments?

HON. L. DESJARDINS: Exactly, that's senior housing you're talking about now, not a low-cost housing or . . .

MR. D. ORCHARD: No, this is senior citizens' housing.

HON. L. DESJARDINS: The funds that we have, it's first come-first served, providing that they qualify, but that's exactly the type of thing we're looking for.

It could be meals in those areas also, especially for people 75, as you mentioned or something like this. It could be a few days or a meal a day or for five days or whatever to help them. They still pay for part of it.

MR. D. ORCHARD: Okay, that clarifies that up.

Now, Mr. Chairman, last year you budgeted some - let me get it here. In the Estimates Book last year, printed \$1.066 million. You expect expenditures to be \$658,000, for a reduction in the Other Expenditure line of \$407,000.00. What programs went unfunded last year to achieve a reduction in expenditure of over \$400,000.00?

HON. L. DESJARDINS: There was nothing that went unfunded. It was just that it was a phasing in, the money that we had at a certain time. It might be for so many months, and that's one of the reasons this is much higher this year.

MR. D. ORCHARD: In terms of the photostat from last year's Estimates Book for the fiscal year ending March 31, 1986, we had approved Estimate expenditures of

\$681,000.00. Last year, we had that moved up by 50 percent or better to the \$1.066 million.

In reality, if I follow by the amount that was actually expended, your actual expenditure last year were less than what you budgeted for two years ago. Yet, you indicated that the reason for the non-expenditure last year was that you had a phasing-in which didn't occur.

Now, Mr. Chairman, it would appear as if there was no expansion last year, as was indicated in Gerontology, in terms of program support to senior citizens, because not knowing the flaw in my argument is not knowing what the actual expenditure is for fiscal year ending March 31, 1986, but I repeat the number. We gave estimate approval of \$681,000.00. The actual expenditure, I believe - I don't know what it would be - but we know that this year's actual expenditure is to be in the neighbourhood of \$660,000, which is less than what you budgeted a year's previous.

HON. L. DESJARDINS: This year is one million-and-something.

MR. D. ORCHARD: Okay, the year ending, in '87.

HON. L. DESJARDINS: You see, it was a three-year program and it was phased in at different times during the year. We went from 35 to 58 and we hope to go to 80. It's a fairly new program. It's a program that started in 1984-85.

MR. D. ORCHARD: What is 35, 58 and 80?

HON. L. DESJARDINS: Those are the different programs that we have, projects that were formed.

MR. D. ORCHARD: The number of projects, 35, 58 and 80, then were you over-budgeted each year then? In other words, the \$681,000, the Other Expenditures for fiscal year ending '86, was that budget never expended?

HON. L. DESJARDINS: It is voluntary. We work with these people; we give them the information. The application has to come from those sponsoring the project, the rest of the project, and you'll have a certain sum. You don't know exactly how many applications you're going to have and we've tried to spend the money that we have. This was something that was discussed in the Legislature now years ago under a different program that was pretty well approved and we were encouraged to go in that direction to keep people out of the institution. That has become a priority item, as far as our work with the seniors is concerned. So we've anticipated a certain amount, then if we don't get all the applications or for some reason or other we can't process them in time, but it's coming out quite well now with the numbers that I gave you.

MR. D. ORCHARD: Were any programs delayed or deferred or cancelled under Gerontology last year to achieve the \$400,000 underexpenditure of last year's estimated?

HON. L. DESJARDINS: No, the answer is no.

MR. D. ORCHARD: Mr. Chairman, what is the marriage or what is the marrying of Continuing Care with this service under Grants?

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HON. L. DESJARDINS: We have somebody on the committee from Continuing Care that'll advise the committee.

MR. D. ORCHARD: Now, that's presumably to give you the ability to decide which project to approve. Is there ongoing liaison with regional field staff and people delivering this program?

HON. L. DESJARDINS: Yes, they certainly would have a part to play in that in the assessment and also in the recommendation.

MR. D. ORCHARD: So then is it fair to say that the programs set up voluntarily by various housing authorities, presumably, would be married quite highly in the delivery service with Continuing Care?

HON. L. DESJARDINS: Yes, because that also is something that would be a supplement, and maybe a saving would take place in Continuing Care with some of these programs.

MR. D. ORCHARD: That's all my questions for now, Mr. Chairman.

MR. CHAIRMAN: The Member for Kildonan.

MR. M. DOLIN: Yes, thank you, Mr. Chairman.

Through you, Mr. Chairman, I'd like to ask about transportation programs in the City of Winnipeg for senior citizens.

I understand there was a joint committee of, I think it was Health, Transportation and Social Services - you may not have the information now, but perhaps you could provide it later - chaired by somebody from the Transportation Department, looking at the various transportation services for seniors: I think one run by the Kiwanis, another run by Age and Opportunity, another run by Clinic, and I think one Hope Clinic was planning to start.

I'm wondering: Has a program of consistency or evaluation of these seniors transportation programs been worked out and, if so, what is the planning of this?

The other concern I have is one of the problems, I think, with seniors is their mobility, especially during winters in Winnipeg, and keeping people in the community at much lower cost than putting them into institutional or quasi-institutional care which is very dependent on transportation.

So I'm wondering if the Minister could, if he doesn't have this information available now, provide some information on what the plans are and what's happening with this committee and what the program will be for Winnipeg.

HON. L. DESJARDINS: I could give you some information, and I'm sure that the Minister of Community Services could probably add some of this information.

It is not a program that is funded under this. It is a program now that a social resources committee, when it did function, was looking at with our department, with Community Services, and it was initiated by Urban Affairs in their grants to the city when I was Minister

of Urban Affairs, but it got a little more interesting with Mr. Doer because there was a program that we kept . . . I think Muriel was . . . I think you financed some of those programs temporarily. No? Was it all Urban Affairs?

There were two. There was one in Fort Garry, I think, and there was the Clinic, and it was agreed that was a very worthwhile program. It was agreed that there would be continued funding while we would look at the whole situation and talking about having it, if at all possible, universal as far as the city is concerned because that is something that is important. I don't think that work is finished. They probably will report to Planning and Priority now, of committee.

I might say that I would agree that transportation is one of the most important things. When I was Minister previously, Minister of Health and Social Development, we started the day care for the elderly, and one of the conditions was that we did not pay. We felt, well, let the volunteers, and it didn't work. We realized that more and more that if you don't provide transportation, you can't count on volunteers because it is a fixed time, a certain day and a certain time, and that's always difficult.

As I say, there is a study being made of how and could we have some kind of a program, maybe granted, maybe a limited program, but of transportation for the elderly all across Winnipeg.

MR. M. DOLIN: I've had some concern expressed about the funding that was promised, but I gather from what the Minister's saying, this is being coordinated out of Urban Affairs and it probably would be more appropriate to ask it under the Urban Affairs Estimates.

HON. L. DESJARDINS: Yes, I would think so, but I can tell you this. When you say "the funding that was promised," it was a pilot project. They were initiated as pilot projects and pilot projects don't last forever. What we did, because we felt that there was an important service being rendered, it was funded, I think, for six months and then maybe for a year while this other program was being developed, but there was no commitment for perpetuity. That could change, but that's the best of my recollection.

MR. M. DOLIN: The question I'm asking the Minister is I understand it was a pilot project. I understand, obviously, if you have a pilot project, somebody's going to review it to see how effective it was and what's the best method of delivering the services. The people would have the results of this study and some information on planning would be the Urban Affairs people since they are coordinating, so I will wait for their Estimates then.

Thank you.

HON. L. DESJARDINS: But it's not just the assessment of the program, because usually when you have a program, you offer it to everybody. It's not a pilot project, but it becomes universal, which we would prefer of course, but there are seniors in other sections, part of this thing.

MR. CHAIRMAN: The Member for River East.

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MRS. B. MITCHELSON: Thank you, Mr. Chairman.

I'd like to ask a few questions on Gerontology and sort of go into Health Promotion, if I can do that, because it states . . . Well, obviously, we all know what Gerontology is and services for seniors, but under Health Promotion . . .

HON. L. DESJARDINS: Excuse me, Mr. Chairman.

MR. CHAIRMAN: Mr. Minister.

HON. L. DESJARDINS: We try to cooperate. We agree for the first part. Now that's going to be difficult because you're talking about strictly a different department, different directors and so on, so it would be a little . . .

MRS. B. MITCHELSON: What I wanted to get at then was what type of coordination or communication is there between Health Promotion and the program support for seniors. That's what I'm looking at under Health Promotion. I have a little difficulty understanding why, under Health Promotion, we have to have support programs for seniors and then we have a department on Gerontology. Could that not all be covered under the Gerontology Department?

HON. L. DESJARDINS: It is support services to the seniors group, and there would be people in the different regions that would be doing the leg work and so on to promote the services to the seniors.

There's also the different, working through the provincial gerontologist and the advisory committee that works both ways, but the advisory committee will advise and give their idea what seems to be needed in the rural areas, and they will also bring back the information across the province to the seniors and through that book that we have also that lists the services.

MRS. B. MITCHELSON: Mr. Chairman, it seems to me - I'm having a little difficulty with this whole Department of Health and the services for seniors that are spread throughout the department.

I'm just wondering if the Minister has looked in any way at bringing all of the services for seniors, whether it be Continuing Care, Gerontology, whatever, under Health Promotion, maybe even parts of MHSC that deal with nursing homes, under one department so there's some coordination.

It just seems to me, if it was looked at, or I'm wondering if the Minister has looked at it to see, it would make more sense to me and it would be more organized and it might be a cost-saving way of looking after our seniors.

HON. L. DESJARDINS: Well, that's an ongoing discussion taking place. There have been some changes. I think the members of the committee heard me say that we are looking at a decision of maybe changing the commission and stopping duplication and maybe facilitate the reporting and so on. So, yes, we are looking at that. That has been changed at times to present it this way in trying to make it - I'm not saying it works, obviously it doesn't work with one

member at least, but to make it easier to discuss this committee and I find it at times confusing from year to year that we change, but we are definitely looking at the whole situation and we are also looking, I might say, with different departments, also, not necessarily the break that was made between health and social development, the time could be reviewed. We want to work fairly closely together. There is also health and environmental health and some of those things. So that is being looked at.

MRS. B. MITCHELSON: Maybe the Minister can tell me then, what studies are going on right at this moment?

HON. L. DESJARDINS: There are internal studies, plus what I mentioned earlier. The Decter report, that's dealing with the commission, and there are discussions taking place now between some of the Ministers, especially with Community Services and myself to bring in people qualified to look at the overall dealing between the departments; in other words, involving more than one department.

MRS. B. MITCHELSON: Can the Minister indicate whether the Decter report is ready for us?

HON. L. DESJARDINS: I did say that it's an internal report, but I did state at our last meeting that I'd have it ready for the members of this committee. It will probably be while we're discussing the Commission or a few days before - give you a chance to look at it. It is not a lengthy report.

MRS. B. MITCHELSON: Can the Minister tell me what department is coordinating the studies that are going on? Who is responsible for that?

HON. L. DESJARDINS: Obviously in this department, it is our department. The other one, we're working together.

MRS. B. MITCHELSON: No, but is it in Research and Planning or where does it fit in?

HON. L. DESJARDINS: No, we're looking at the whole thing. It is at the level of the senior administrator and the Ministers who are looking at that. The Decter report was commissioned by myself and it was initiated by myself.

MRS. B. MITCHELSON: That's all right now. Thank you.

MR. CHAIRMAN: What do we start on now? Do we start at the top of the page?

HON. L. DESJARDINS: Before we leave this, because of the interest of the members, I have kind of a chart to show the way we are reorganizing, especially Community Services. I have copies for everybody and later on sometime I'd like to try to explain which way we're going away from the institution and so on. I think that will be very valuable and I'm having copies made for everybody. It's just one page.

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MR. CHAIRMAN: 2.(f)(1)—pass; 2.(f)(2)—pass.
2.(c)(1) Salaries - the Member for River Heights.

MRS. S. CARSTAIRS: Thank you, Mr. Chairman.
We seem to have had, in Salaries, the addition of a new administrative support person for the Provincial Cervical Cancer Screening Registry. Can the Minister tell us exactly what is this registry, obviously it's a preventive program, but what are we looking at in terms of this registry?

HON. L. DESJARDINS: It is a prevention program. What we anticipated is something developed with the College of Physicians and the medical profession and other professions. There would be a staff who would educate and promote mostly the women to get the proper testing and so on. It is in prevention.

MRS. S. CARSTAIRS: How many women are involved in this particular screening program?

HON. L. DESJARDINS: In Manitoba, in 1984, 360 women were diagnosed with this cancer. In 1985-86, there were 2,081 hospital days for treatment of this disease, and approximately 200,000 Pap smears are done annually in Manitoba. Without the coordinated provincial program, the utilization of Pap screening was unknown. That's one of the reasons why we established this position, a planned-for comprehensive program consisting of a screening registry, laboratory quality control and public promotional, which I was talking about, mostly public promotional and education has been proposed and will be reviewed.

MRS. S. CARSTAIRS: So the basic purpose of this then is the encouragement of Pap smear testing in order to prevent cervical cancer?

HON. L. DESJARDINS: Yes, and inform the women of the risk of cancer and the value of the benefits of regular Pap screening.

MRS. S. CARSTAIRS: Is there any material made available to women when they have a Pap smear taken to give them information with regard to cervical cancer and the need and the encouragement of those women then to go back and have this done on an annual basis?

HON. L. DESJARDINS: At regular intervals, yes. Of course, this would have to be passed, is going to senior management from the directorate for approval and, at that time, we will announce the exact programs.

MRS. S. CARSTAIRS: So there is not a program in place at the present time or there is a program in place? I'm somewhat confused by the Minister's . . .

HON. L. DESJARDINS: There's no provincial program at this time. We would have to get the registry and the hardware to put equipment in place to support the program. That is what is proposed, but there is no program at this time, no organized provincial program.

MRS. S. CARSTAIRS: In terms of the external agencies which get funding, planned parenthood, women's health

clinic, Clinic Serena, Youville, reproductive health grants, has there been any additional agency which was not funded in 1986-87, that is anticipated to be funded in 1987-88?

HON. L. DESJARDINS: I'm sorry, I was getting the information. You would like to know what is proposed this year compared to last year, is that right?

MRS. S. CARSTAIRS: I would like that as well, but that wasn't the question.

HON. L. DESJARDINS: I'm giving you too much information.

All the agencies from last year will be getting funding, but two of them, the Women's Health Clinic and the Clinic, for '87-88, the outreach worker positions at Klinik and Women's Health Clinic were increased a full staff year, and funding for these positions will be transferred to the Manitoba Health Services Commission. That's the staff. There was \$21.6 thousand for Klinik last year, and \$13.6 for Women's Health Clinic.

Now, as I say, the outreach worker position was increased a full staff year for both those places and the funding for these positions will be transferred to the Manitoba Health Services Commission.

MRS. S. CARSTAIRS: Yes, just so I'm clear, that each of these are to get another staff year, but we will actually find the cost of that in the MHSC budget?

HON. L. DESJARDINS: Yes, this will be paid - this is the full staff year now - by the Commission. So it's transferred from our budget to the Commission to pay for that, and that's the 21.6 and the 13.6.

MRS. S. CARSTAIRS: Have the amounts, other than for cost of living increases, remained relatively the same for these organizations from last year?

We had figures of 606 and 617, which is basically not much more than a cost of living increase. Has that been across the board, that each agency has more or less received that, or are there some dramatic changes in any of the funding agencies?

HON. L. DESJARDINS: Some have stayed the same. There's not that much of an increase. There's very little increase; it's approximately in all the same as last year.

MRS. S. CARSTAIRS: One of the issues that surprised me when I first moved to this province, quite frankly, was that a great deal of the immunization of young children was, in fact, done by doctors, wherein the Province of Alberta, where I came from, most of it was done in well-baby clinics. Those well-baby clinics are certainly a much more cost-effective method of immunizing small children.

Why have we moved to this system in Manitoba whereby they seem to be done by their pediatricians or by their general practitioners?

HON. L. DESJARDINS: I couldn't agree more with the honourable member in some of the planning that we're looking at in either of these clinics or community clinics. We certainly will be looking at this. As you know, this

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is a discussion between different professions and when it's been done in the past. But I certainly agree with that. It could be done and less costly, and make sure that we keep the proper records in certain instances and so on. So we're going to have a hard look at that.

MRS. S. CARSTAIRS: It's interesting how the medical profession can justify doing immunization, but I think the Minister might be interested in knowing that the reason given to me by my pediatrician in Alberta as to why he would not immunize was because he did not think it was good for the doctor-patient relationship between the child and the doctor. He did not want to be known as the boogeyman or, i.e., the individual who was going to give the needle. Here their doctor didn't seem to be the slightest bit concerned about being the big bad boogeyman in giving the needle so often. Perhaps the Minister can use that as a justification to move it into the clinics and out of the doctors' hands.

What is the situation with regard to the funding from this department now for such organizations like Villa Rosa and Pregnancy Distress, which, I understand, were in fact at one point funded under this particular section of the budget for pregnancy counselling?

HON. L. DESJARDINS: I don't know that information. This is fairly new, this directorate, and I don't recall that we funded that through this.

MRS. S. CARSTAIRS: That's fine.
Thank you, Mr. Chairman.

HON. L. DESJARDINS: I'll double check it, but we have no recollection.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, can the Minister give us the funding under the grant, presumably under External Agencies funding, to Klinik last year, and when we voted \$606.9 thousand compared to this year at 617? Do you have the two-year figures?

HON. L. DESJARDINS: These are the grants for last year, the actual last year: Planned Parenthood, Manitoba, 161.7 thousand, Klinik 21.6, Women's Health Clinic 13.6. Those two, Klinik - with a "K" - and Women's Health Clinic, those are the ones that I said would now be funded through the Commission.

MR. D. ORCHARD: Hold it now, I'm already confused.

HON. L. DESJARDINS: I'll start over then. 161.7 for Planned Parenthood, Manitoba, 21.6 for Klinik, 13.6 for Women's Health Clinic, 10,000 for Serena, 360.8 for Youville Clinic, and 87.7 for COUP, or Committee on Unplanned Pregnancy.

MR. D. ORCHARD: How much was that Committee on Unplanned Pregnancy?

HON. L. DESJARDINS: 87.7. Now that is being discussed with these groups at this time. There is nothing finalized for the next coming year except that Klinik and Women's Health Clinic will be removed from

this list, as I explained, as they will be funded through the transfer of these positions, which will become full staff years and funded by the Manitoba Health Services Commission.

MR. D. ORCHARD: Reproductive Health Grants, you've got as a grant listing here. What was that figure last year?

HON. L. DESJARDINS: Every single one except the Youville Clinic would come under this. Also, part of the role of the Youville Clinic would be to give the information in areas and to people who do not consider abortion as an option.

MR. D. ORCHARD: Mr. Chairman, that was last year's figures, presumably, the Minister gave us. Can he now indicate what the projection is that we're being asked to approve this year for each of those same groups?

HON. L. DESJARDINS: It would be wise to mention at this time is the total of 617.7, because there are still negotiations going on with the different groups.

MR. DEPUTY CHAIRMAN, M. Dolin: The Honourable Member for Pembina.

MR. D. ORCHARD: Last year and the information the Minister gave me the other day, the External Agencies, your forecast expenditure was 568.9 thousand under External Agencies. The adjusted vote indicates 606.9, which would be some variance - for whatever reason I don't know - but you're saying the difference in this External Agencies is a removal of 21.6 - 13.6 from Klinik and Women's Health Clinic respectively, which will now be transferred and funded by MHSC, positions exist and continue to exist at Klinik and Women's Health Clinic but simply will be funded out of the MHSC budget. So that what you've got then . . .

HON. L. DESJARDINS: Sorry, I was going to say that I don't think that these were a full staff year at the time. It started by partial, now there are full staff years for each of these, Klinik and Women's Health Clinic and it is those staff years, those positions, that will be funded by the Manitoba Health Services Commission.

MR. D. ORCHARD: Is the Minister now saying that 21.6, as an example, at Klinik, represented roughly a half staff year for some purpose at Klinik, and that it is now advanced to a full staff year and the other half of the funding is going to come from MHSC?

HON. L. DESJARDINS: No, I said that we funded four-fifths of a staff year at Klinik. Now it's recognized as a full staff year and it would be the one person and recognized as a staff year and that will be funded, that position and the funding for that will be recognized by the Manitoba Health Services Commission; and the Women's Health Clinic was three-quarters of their staff that we were funding. Now we're funding and recognizing the full position.

MR. D. ORCHARD: So then, Mr. Chairman, the entire 21.6 that was granted last year will not be granted this year. It will be . . .

HON. L. DESJARDINS: Well, it'll be transferred to the Commission.

MR. D. ORCHARD: But part of the 617.7 is not 21.6 and not 13.6. That is present when we get to MHSC presumably under Executive Expenditures or whatever.

HON. L. DESJARDINS: That is correct. It was part of last year's total, but it's not this year for those two.

MR. D. ORCHARD: Now, does Klinik receive any other support funding from the department, and, if so, where would we discuss that?

HON. L. DESJARDINS: Klinik, we can get some help here. Klinik will receive some from the Commission, mostly from the Commission, and for certain social programs, from Community Services also. But we do fund the Klinik, not for all their operations, not all their programs, certain programs and we can discuss that during the discussion of the Commission. It is funded by the Commission.

MR. D. ORCHARD: And at what stage in the Manitoba Health Services Commission Estimates, what line in the Estimates - hospitals?

HON. L. DESJARDINS: Institutions, hospitals, I would imagine.

MR. D. ORCHARD: Mr. Chairman, am I wrong in the assumption that Serena would be the only group in terms of providing advice on birth control, etc., etc., which would not have as an option the abortion for birth control?

HON. L. DESJARDINS: Youville Clinic also.

MR. D. ORCHARD: Youville also, okay. Where's Youville located again? You told us that last year.

HON. L. DESJARDINS: It's the Grey Nuns running this at St. Boniface Hospital - not at St. Boniface Hospital but very close - at the shopping centre - they have a storefront. This was the first intent. Maybe clinic was the wrong word, but anyway right now they're delivering the diabetes program, that one we've started at St. Boniface, the one that you like - the only thing you like about that department.

MR. D. ORCHARD: It's not the only thing I like about his department. It's the only new thing he started that . . .

HON. L. DESJARDINS: You want more information?

MR. D. ORCHARD: Mr. Chairman, getting back to the new staff position that's being requested. I take it from the answers that are given to another member who was questioning that the position's not filled, it's one that you wish to fill. The purpose of it is to establish a registry, presumably so you can develop a flow of years test results on the Pap tests and other tests for cervical cancer; and does that flow from it where you have capital increasing from a \$1,000 last year to

\$15,000 this year, is that capital being used to help maintain this registry? Is that the purpose?

HON. L. DESJARDINS: Right, with the hardware and software required.

MR. D. ORCHARD: Now what do you expect to achieve by establishing this registry that you use?

HON. L. DESJARDINS: We've been talking about promotion and lifestyle - I don't know if you can call it lifestyle - but it is an education for women to see the value of the regular testing and also to monitor any information that we would have and keep the registry also. It is for the women to see the value of regularly making themselves available for the screening and the Pap test.

MR. D. ORCHARD: Mr. Chairman, I may be wrong, but I don't think there are too many women who don't take advantage of that test now. Are you trying to develop a tracing mechanism to show incidence of cervical cancer by maintaining this registry? Are you trying to get a population exposure scenario that you can develop out of the statistics? Is this something you're starting that you're not hoping to get necessarily any answers this year, in the first year, but over a period of years of maintaining this registry, you hope to be able to better track the incidents and the reasons and the lifestyle, possibly the lifestyle-related causes for cervical cancer? Is that what we're talking about here, in concept?

HON. L. DESJARDINS: Yes, Mr. Chairman, over the long term, but the information of my honourable friend is not correct. It is only 35 percent or so of women over the age of 25 who are availing themselves of the test on a regular basis.

MR. D. ORCHARD: I thought that was a fairly routine test that physicians put their patients through.

HON. L. DESJARDINS: I guess we wouldn't have all the information of all those who are going to their regular physician and so on, but the best information that is available is 35 percent of those over 25. It could be more than that with private physicians and so on.

MR. D. ORCHARD: Well, that begs the question then, will your registry be tied into presumably the Cadham or other labs who have the capability of obtaining results from the Pap tests? Are you going to have the entire provincial population of women who undertake tests for cervical cancer, are they going to be on this registry?

HON. L. DESJARDINS: Yes, the proposal, although I stated that this is going to senior management and then to the department, so this is what this proposal would be pretty well, a report on every test.

MR. D. ORCHARD: So then is it fair to say that what you are attempting to do here is to really get an accurate data base, No. 1, which will confirm or deny the 35 percent that you have now - it may, in fact, be 75 percent - but you don't have access to that knowledge,

and that you will maintain, presumably, the registry to track those tests for individuals? Will lifestyle be part - in other words, if you find an individual or a group of women who seem to be exposed to higher positive test results over a period of years, do you have an ability to monitor or to evaluate lifestyles to determine what advice you might be able to give in terms of lifestyle prevention, if it exists? And not being a medical individual, I don't know whether that would be possible, but is that the intent of the registry?

HON. L. DESJARDINS: It is not proposed that this information will be collected for that at this time. This would be left, most of it, the doctor and the patient, but when it's established certainly this will be looked at and it could be deemed advisable to collect that and to make this a necessity.

MR. D. ORCHARD: Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for River East.

MRS. B. MITCHELSON: Thank you, Mr. Chairman.

I just have a couple of questions. Last year, in Estimates, the Minister told us that the Health Sciences Centre was going to begin an Early Discharge Program. Last year in Estimates, you told us that the Health Sciences Centre was getting organized and they were going to be running an Early Discharge Program. Has this taken place?

HON. L. DESJARDINS: This program has been in effect now for awhile at St. Boniface, and there has been discussion with the Health Sciences Centre and the Women's Centre to proceed with that also, and we are providing some service.

MRS. B. MITCHELSON: Okay. You are, you've started there.

My understanding that St. Boniface, just in the last little while, has been asking other hospitals to admit their maternity patients because they're overcrowded. Is that . . . ?

HON. L. DESJARDINS: This is something that should be better discussed at the Commission, while we deal with the Commission. At this time you don't say there's going to be so many a day in all these hospitals, and definitely what we are seeking is cooperation with the hospitals. I think that we want to start a system where they won't have to go to the hospital and be refused and then sent all over the place. It is to coordinate the admitting and what is available. I think that awhile back the hospitals might have been resisting that kind of information and cooperation, but lately there has certainly been a tendency from the hospitals to request that service from the government, in other words, they're asking for help. At times we've had some hospitals whose maternity wards were practically empty and where another hospital was very busy, so instead of being sent by the hospital to St. Boniface, and then transferred somewhere else and then be told that's full, we're trying to streamline that. We certainly will be looking at that; we're looking at that now.

MRS. B. MITCHELSON: Mr. Chairman, can the Minister tell me, since they've closed the maternity wards at

Concordia and Seven Oaks, do they have any statistics or any way of knowing how many of those patients who actually would have delivered in their community hospitals, in the general area, how many are actually going to St. Boniface or the Health Sciences Centre, and how many are actually going to other smaller rural hospitals as a result of the closure of the beds?

HON. L. DESJARDINS: That would be very difficult to get this information; it depends on where the doctor is practising. I think that most of them would be at St. Boniface and Health Sciences Centre, but there could be some coming from the rural areas. I'm talking, not the "at risk," the danger group, of course, they would normally have gone to those two hospitals anyway.

MRS. B. MITCHELSON: Just one more comment or question.

It would be very interesting to know, if we could get some data, because it is my understanding that there are several women - and I don't have numbers and that's why I was wondering whether you might have numbers - women who are going out to the smaller rural hospitals, ones from those areas who would have been coming into, basically, the closest larger urban hospital for maternity services, and in fact they might have less services available to them now than they had when Concordia and Seven Oaks were open.

HON. L. DESJARDINS: This is the first time that I have been given this information. It was actually the opposite, that was one of the reasons why they weren't kept that busy, because more and more people wanted to go because they were worrying about the "at risk," and more families, or more patients, were requesting from their doctor to go to the two major hospitals. The pressure was on before that more and more; that's why they got so busy at those two hospitals. So I'll try and see if I can get that information, I doubt it, but I'll try, and you can make a note to ask that question again when we deal with the hospitals.

MR. CHAIRMAN: The Member for River Heights.

MRS. S. CARSTAIRS: Just a final question.

I would be, indeed, very shocked if more than 35 percent of women were having Pap smears every year, and I know in fact that it is absolutely essential to the early diagnosis of cervical cancer. The success rate is dramatic in terms of early diagnosis of cervical cancer, in terms of the overall success rate of treatment.

The one thing that I am concerned about, therefore, is making women aware of the fact that they need to have a Pap smear on a regular basis. Will part of this registry be the provision to women of a pamphlet, or some kind of material, that indeed this is not just a one-time thing, that this should indeed be a yearly program for women?

HON. L. DESJARDINS: That will be a big part of this program when we announce this program. We have a promotional program that will accompany it, probably with the pamphlet and so on for the information, and that will be encouraged and continued.

MRS. S. CARSTAIRS: Mr. Chairman, then the last question has got to be, how are you going to manage

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to do this when in fact the communications budget of this department has declined?

HON. L. DESJARDINS: That is a new staff year that we didn't have. The cost of the software and hardware and the staff and the pamphlet, or that information, would come through the Health Promotion and Health Communication Budget.

MRS. S. CARSTAIRS: So the fact that your advertising budget has gone from 48.5 down to 38.2 will not reflect itself in the lack of availability of this kind of material.

HON. L. DESJARDINS: We have some funds here that we didn't have before.

MR. CHAIRMAN: 2.(c)(1)—pass; 2.(c)(2)—pass; 2.(c)(3)—pass.
2.(d)(1) - the Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, this section of the Estimates received a considerable amount of attention last year. I'd like the Minister to give me an explanation on the staffing. I'll give him the background as to why I'm slightly confused, because it involved part of his explanation in the reconciliation statement as well.

Under Health Promotion when we were in Estimates last year, the adjusted vote for 1985-86 showed 27.5 SY's and the 86-87 request, the one the year just passed, was down to 21.5, because presumably six SY's in the home ec directorate - well if my memory serves me correctly, it was four home ec personnel, plus two support staff were to be transferred to Agriculture during the course of the year. Now when I go to your SY counts in Health Promotion, we're down to 21.5 as the adjusted vote, '86-87 - pardon me, the printed vote shows 21.5, a decrease of two which takes us down on the adjusted vote to 19.5, according to the sheet that you've given me. Now you're asking for six more SY's which are going to be transferred from Supply and Services, as the notes to your Estimates indicate, to hire staff to bring it back up to 25.5.

Now your explanation of the transfer to Agriculture and the reconciliation statement involved one SY plus operating monies. What happened to the other six? Where are they? When were they transferred to Agriculture?

HON. L. DESJARDINS: I'll give you the staff who we're looking for for this year, 25.5. There is a Director of Health Promotion too. There are still two nutritionists in the department - the others were transferred to Agriculture as you know - two fitness specialists; two services to senior program specialists - that's what we were talking about earlier - one nursing consultant; three public health educators, and there are six more. There are eight diabetes specialists . . .

MR. D. ORCHARD: That's what you're asking for to update it.

HON. L. DESJARDINS: Yes, and there are 4.5 administrative clerical support, 4.5 on term, and one cardiovascular coordinator and one program statistician, for 25.5.

MR. D. ORCHARD: So that gets you up to 25.5, but - correct me if I'm wrong - is not this reconciliation statement that is at the start of Estimates, does that not detail the movement, if you will, of staff between departments, presumably the movement of the six home ec from the Health Promotion to Agriculture? That's wherein the confusion is, because you've indicated you've only got one SY gone.

HON. L. DESJARDINS: I think, when you exclude the home ecs, you have 21.25 . . .

MR. D. ORCHARD: 21.5.

HON. L. DESJARDINS: Okay.

Then there were two who were transferred to the region. Actually, we've got 21.26 so that gives us 19.26, two transferred in the regions, and then six - and that's for diabetes that I was talking about. That brings us to 25.6, or an addition of 6.26.

MR. D. ORCHARD: Now, Mr. Chairman, you've indicated that, of the 21.5 staff SY's last year, two were transferred to the regions, but you indicated that one was transferred to Agriculture, i.e., in the reconciliation statement. Now are we talking of one of the two that you've just mentioned?

HON. L. DESJARDINS: There's one. The chief economist was transferred to Agriculture later, but those two whom we are talking about were transferred to - they were health educators who were sent to the region, not the home ec.

MR. D. ORCHARD: We've got two SY's presumably transferred from Health Promotion to the regions. The reconciliation statement shows, as was explained to us the first day of Estimates, that one home ec SY plus operating monies went to Agriculture. That would seem to indicate three transfers, not two. That's where I'm confused.

HON. L. DESJARDINS: The reconciliation, I would think, would only deal with a transfer to another department. That's the home ec who was transferred later to Agriculture. That was the director or the chief economist who was transferred to Agriculture later than the original group, but that doesn't equal the two transfers. Sorry, of those two, one is the one who we referred to going to Agriculture, and there's only one who is going to the region.

MR. D. ORCHARD: Okay, so then the first answer that two were going to the regions was wrong. There was only one in the region, and then the second one is the other home ec that went to Agriculture.

HON. L. DESJARDINS: Yes, and the answer that they were not economists is also wrong. One of them was or is. The one that was transferred to Agriculture was an economist.

MR. D. ORCHARD: Your managerial line of the salaries is substantially increased, and you're talking about vacant positions, etc., etc. Can you indicate whether

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that position is filled by competition, and does it represent a reclassification to substantiate a \$14,000 salary increase, 40,100 to 54,100.00?

HON. L. DESJARDINS: The increase is due to the requirement in 1986-87 to budget, because of the vacant position at the first step of the range. By 1987-88, it reflects the actual requirement and that position is filled by this gentlemen to my left, Mr. Ulrich Wendt.

MR. D. ORCHARD: Was that a bulletined - the filling of that position was done by competition?

HON. L. DESJARDINS: Yes, it was.

MR. D. ORCHARD: Mr. Chairman, what was Mr. Wendt's previous experience in Health Promotion?

HON. L. DESJARDINS: Acting Chief Executive Director of the Saskatoon Community Health Unit.

MR. D. ORCHARD: As such, was that highly involved in health - what sort of services? Health Promotion was one of them, or was the Community Health Unit actually delivering health services like one would expect in operation? I'm trying to search one out that would be similar.

HON. L. DESJARDINS: They were delivering a range of services, including Health Promotion and Education.

MR. D. ORCHARD: Mr. Chairman, the six SY's who are transferred - the new six SY's, as I understand it, will be funded by an interappropriation transfer of \$180,000, which was used formerly for professional fees. It's transferred now to Salaries to fund the new positions in diabetes education.

For what purpose were those professional fees expended in previous years?

HON. L. DESJARDINS: These funds originally had been transferred from the Manitoba Health Services Commission, not funded in staff years. We didn't have the staff years, and they were not earmarked for staff. They were sent to professional fees. Now with this staff year, as was stated, the funding comes from what was before professional fees. We had no staff years, in other words, before that when the money was transferred from the Commission.

MR. D. ORCHARD: Mr. Chairman, I have to admit that I'm confused by that answer. The Minister is saying that the money was transferred from the Health Services Commission. His detailed explanation of the Estimates is indicating that \$180,000 is being transferred from professional fees to salaries, and that \$180,000 last year was present in Other Expenditures of Health Promotion, Supplies and Services.

Is the Minister now saying that money is not coming from there, that in fact it's coming from Health Services Commission?

HON. L. DESJARDINS: No. Originally, the money came from the Health Services Commission to professional fees. We didn't have the staff year; we didn't get it last

year, and we had to return the money. This year, we're transferring from that. We received the staff year.

MR. D. ORCHARD: Then are you simply saying then, Mr. Minister, that the money, the \$180,000 that's now going to retain these new positions in the Diabetes Education Program, was monies under Supplies and Services that was there for - it says in your Estimates explanation - professional fees? Are you indicating that money was not expended on retention of anybody of a professional capacity to advise the department on Health Promotion.

HON. L. DESJARDINS: I understand it wasn't spent at all last year. These are some of the things - and my honourable friend would know that we go to Treasury and we try to get staff here and so on. At times, we'll be given staff here with the proviso that we pay for them from within and so on, and this would be a case like this. We got the staff year without the money, so we took the money from them.

MR. D. ORCHARD: Mr. Chairman, I want to have a bit further explanation of the Health Promotion grants or the funding of external agencies. That's dropping, and the explanation according to the notes is that senior centres grants are transferred to the Lotteries Trust Fund. Is that presumably the \$138,800 that you mentioned earlier on?

HON. L. DESJARDINS: I'm sorry, I was looking for that. The question was, those that came from the Lottery funding? Is that it?

There are the senior centres' grants transferred to Lottery funding. There is Brandon Civic Seniors' Centre, 40,400; Gordon Howard Senior Centre, 21,000; Herman Pryor Senior Services Centre, 32.5; Winkler and District Multi-Purpose Senior Centres, 13.9; Hebrew Golden Age Club, 15.5; YMHA Jewish Community Centre, 15.5.

MR. D. ORCHARD: Those are now being funded directly by Lotteries. Then, if I do a rough calculation on it, 138.8 I believe is the total of it transferred over to Lotteries funding. So we take the 591 that was budgeted last year, and we end up quickly with fairly bad arithmetic with an increase of some \$60,000 this year. Where primarily is that increase grant going to? Are there any new groups to receive grants, or does one particular group get a lion's share of the 60,000 increase this year?

HON. L. DESJARDINS: This of course again is a discussion between the different groups. Now there are no new ones. There'll be an increase, maybe an increase in programs. There's the Age and Opportunity Centre of Winnipeg, Hebrew Golden Age Centre, the YMHA Stay Young Program, the Brandon Civic Senior Citizens Inc., the Gordon Howard Senior Centre, Selkirk, Winkler and District Multi-Purpose Senior Centres, Herman Pryor, other rural senior centres, Manitoba Society of Seniors, Canadian Diabetic Association, Canadian Public Health Association, St. John's Ambulance Council for Manitoba, and Community Health Branch. And those Community Health Branch are time only grants . . . organization for worthy projects.

MR. D. ORCHARD: Mr. Chairman, the Minister mentioned in his last list a number of ones he mentioned in the one list that was presumably transferred to Lotteries. Surely they're not funded from both places.

HON. L. DESJARDINS: No. As I had mentioned it was strictly from Lotteries. This is the list of people that we are responsible, that the director is responsible for the service. It's still our responsibility to make sure the service is delivered.

MR. D. ORCHARD: Mr. Chairman, I want to make a couple of comments on health promotion in general, and then the Minister might have a chance to respond and possibly we can carry on the debate this evening.

Last year the Other Expenditures on health promotion were originally voted at \$517.7 thousand. Actual expenditure was in the neighbourhood of \$266.4. So that there was a quarter-of-a-million dollars not expended in health promotion last year in Other Expenditures.

The Minister is indicating that this health promotion is a major new thrust of the New Democratic Party Government. This is their answer to resolving institutional health care costs and the costs of keeping the Department of Health budget within control. This government's idea is that it's going to use health promotion and significantly promote lifestyle, changes and proper diet, etc., etc. And as we've watched the government talk about health promotions as being a thrust of the government, we've seen No. 1, them decimate the Department of Home Economics which we debated extensively last year, sought six people transferred to Agriculture, an additional one this year. And that was a most effective group of people. I was at a meeting in my honourable friend's to my right, and he's seldom to my right but he is right now, the Member for Ellice - I was in the middle of his constituency last year at a meeting attended by a number of single parent mothers who were aghast at the potential cancellation at that time of the Home Ec directorate in the health promotion Department of Health. And it was going to be eliminated from government until we and those citizen groups got together and made sure the government restored the funding.

But while the Minister and this government talk about health promotion, they've fractured their ability to coordinate a Home Ec service which coordinated nutrition, counselling on how to set up households for single parent people, nutritional advice, materials, fabrics, home furnishings advice, which was part of that directorate. Money management for new people was all taken out of there so that young single parents who don't know how to manage a budget could avail themselves of some very good advice and it was a very well run department. That was taken out of health promotion.

The public accounts show that Other Expenditures on health promotions were almost \$29,000 for fiscal year 84-85. They went down to \$240,000 in fiscal year '85-86 and the Minister's projecting, gave me information which projects Expenditures of some \$266,000 this year, whilst we have budgeted 517.

Funding for external agencies is on the decline as well from \$568,000 in '84-85 down, \$603,000 in '85-86

and I believe if I can find the proper place you expect to spend \$591,000 for external agencies in this past year and you're transferring some off to Lotteries funding which leaves some \$511,000 of monies that the Department is putting up for health promotion, a significant decrease year over year.

So all I can say is that while this government talks of health promotion as being a laudable goal, a goal they support and that they wish to put significant attention and presumably funds, while they talk in that direction their action is exactly opposite. As I say, they've decimated the Home Ec Department which was working very well out of health promotion, providing services within the City of Winnipeg and throughout rural Manitoba. They have been consistently under-expending in the Other Expenditures which are monies needed to provide programming. And the only successful program in this whole health promotion area, I believe, that is enjoying reasonable success is the diabetes education program. Other than that, this health promotion group has been rudderless, is losing funds, is losing its ability to deliver health promotion services to the people of Manitoba.

And what I simply say is that the government on one hand is saying this is a goal which will save us money in the long run, but yet they're not putting their money where their verbal commitment is and it seems to me that they are not exactly sharing full and complete information, nor are they giving people in Manitoba decent health promotion services.

HON. L. DESJARDINS: . . . the comprehensive health care services model, this might be the proper time to look at the direction we're going. And you will look to your right the bottom section, of course would be the most expensive and the most intensive care treatment. That would be the acute care on one side and extended care on the institution side, so the intent is try to go up as we go as much as possible and as much to the left as possible. In other words, you start with the tertiary care, intensive care treatment as the most expensive and then you go to the protect normal hearing, keep body weight normal and so on. And this will give you an idea of what we're trying to do, get away from the institution, go in the community health and also in personal health and that's the education, these are the programs that we're working on.

We're not saying that there hasn't been any programs, when you start something new, like this, but all the money that's spent will not be found in there it, could be in a different direction at this time.

There are the programs on fitness and the program to stop smoking and these areas, some of them we talked about earlier and the Pap smear and the information that we'll give and that kind of service that you will find in that directorate. You will find them pretty well in many different places, I think that if you understand this, that's what I'm talking about - the institutionalized - that doesn't mean we're going to close all the hospitals.

We're saying that you will need less beds and we will try to do everything we can. We were talking about with the seniors, that we're going to try to keep the people in the home as long as possible, and with some of the programs that will help us do this with home

care also. There will be a number of places where we will promote.

And I certainly disagree that the only successful program has been the one on diabetes. There have been different programs on early discharge also. These are just examples that you see in these squares, that you see on the far right at the bottom, the acute care treatment, the tertiary care is the most expensive, of course, as you go to secondary care and primary care, and the same thing on the left with tertiary prevention, secondary prevention, and there's a group of that.

If you're on the left in the Community Health, well, the yellow section would be what the government might help with either legislation, like smoking legislation, or immunization, or legislation on workplace noise, and so on, and then you would see on the promotion and change of lifestyle that you've talked about in the green section and, for instance, the voluntary testing, the Pap smear that we talked about before.

You can't just look at the amount and say you've cut down, you're not delivering. I don't think that's right at all. I think there's been some big steps taken lately to move in that direction.

MR. CHAIRMAN: The hour now being five o'clock, I'll interrupt the proceedings for Private Members' Hour. Committee rise, please.

SUPPLY - AGRICULTURE

MR. CHAIRMAN, C. Santos: . . . - (inaudible) . . .

HON. B. URUSKI: . . . - (inaudible) - . . . this afternoon on sugar beets and sugar beets certainly is an insured crop under Manitoba Crop Insurance. I think some of the statements that were made, Mr. Chairman, on the whole area of sugar beets in the support or non-support of the industry, and I think honourable members opposite are really short-changing the integrity of Manitoba farmers and the public of Manitoba by repeating some of the ludicrous statements that they have been repeating on sugar beets.

The one statement, Mr. Chairman, is that 1983 and '84 stabilization payments have in fact been made to the industry, by their deduction, by virtue of having a crop in 1986. Can you imagine, Mr. Chairman . . .

A MEMBER: Ask the growers.

HON. B. URUSKI: Ask the growers, Mr. Chairman? The growers have admitted continually time and time again that they are very unhappy with the present state of affairs. They have basically said all along that we're not happy with tripartite. We don't want tripartite. We want a national sugar sweetener policy where there would be no taxpayers' dollars needed to support our industry. That's what they have continually said. Ah, coming back from Mr. Mayer and indicating that there is no other option according to the Federal Government which is malarkey, Mr. Chairman, total bunk, because nothing in the legislation, nothing in the National Agricultural Strategy indicates that the future policy of tripartite is now the only policy of the Federal Government. Pure malarkey!

For the Honourable Member for Virden and the Member for La Verendrye saying: "You really don't

know what you're talking about, producers are happy," - Mr. Chairman, I want him to canvass all his producers and let them tell them that they have already received the '83 and '84 payment, whether they will acknowledge that, whether those producers will acknowledge receipt of '83 and '84 payments like the apple producers just got, just received on March 17, 1987. Would they announce payments back to '83 and '84, Mr. Chairman? Let him canvass his producers and tell them that they have received - I would want to hear, the Member for La Verendrye, his words on the record, Mr. Chairman. - (Interjection) - When I'm finished, he'll have his chance to speak. He certainly will; I expect that he will get up.

There is only one member in this House, Mr. Chairman, who I can say, on the Conservative side, has any integrity or any amount of integrity on this issue. And I say, the Member for Rhineland is the only one who acknowledges that the Federal Government has a responsibility, an historic responsibility to agriculture. He, at least, has gotten up and said, it is unfair. In a slight way he is saying, look, the province has a point.

Mr. Chairman, in 1985, let's see what happened. They keep referring to the issue of Alberta signing and Manitoba not. Let's examine what happened in 1985. Mr. Chairman, the Province of Alberta, unbeknownst to anyone, made an announcement even before the Federal Government determined what its policy will be, and said we will put \$10 on a table to support the sugar beet growers. That's the assistance that they needed. Alberta was going to put it up, Mr. Chairman, without even talking to the growers and the growers finding out what the company was going to pay, so they put their money up front.

Mr. Chairman, was there a crop planted in 1985 in Alberta? Was the plant opened in 1985 in Alberta? No, Mr. Chairman, there was no crop planted in 1985 in Alberta, and I'll tell you why. Because the Alberta Government was silly enough to put its money up front and not guarantee and not negotiate on behalf of the farmers for what the company would pay. When the farmers went to negotiate with the sugar company, the same company that is here in Manitoba, you know what the sugar company said to them? Look, we need more money from you, and the growers were smart enough and said go fly a kite. We're not agreeing.

So they didn't plant a crop in 1985, Mr. Chairman, and they planted a crop in 1986 only because the Federal Government - in at least one time span so that people could forget - decided, okay, this year we'll provide assistance to the sugar beet industry once again. Hopefully, I guess maybe they figured they were going to have the national sugar sweetener policy, but I can imagine what went on, Mr. Chairman. I will speculate that the lobbying from the corn (sic) industry in Eastern Canada, in terms of the other part of the sugar sweetener industry, lobbied long and hard and said we don't want . . .

A MEMBER: He has a point of order.

MR. CHAIRMAN: A point of order. State the point of order, please?

MR. H. PANKRATZ: Mr. Chairman, I want to correct the Minister, because it's like he stated so previously

through all our discussions. He doesn't know the facts. Alberta didn't seed in 1986; they didn't seed a crop. Now they're determined to seed. In '85, they seeded; in '86, they did not seed. They didn't seed a crop last year.

MR. CHAIRMAN: Order please.

There is no point of order.

A speaker can only be interrupted on a point of order, and there is no point of order.

HON. B. URUSKI: Mr. Chairman, I will withdraw my comments if I am shown wrong, that I am proven wrong. I want the honourable member to check his statements, but I believe that he is wrong, 100 percent wrong. Mr. Chairman, it was for the 1985 crop that Alberta producers did not grow. Mr. Chairman, Alberta producers planted a crop with 1986 total 100 percent federal assistance. It was not the reverse as the honourable member suggested. Let him check his facts. If I am wrong I will apologize to my honourable friend but, Mr. Chairman, I want to tell you that he is wrong. I believe that he is totally wrong on this issue.

Just like with '83 and '84, Mr. Chairman, when they suggest that the Federal Government now has met its commitment to sugar beet growers because they provided assistance in '86, that is ludicrous. I venture to say - and I'll ask my staff to check whether there have been payments. Maybe the market price has been up on apples. But Mr. Chairman, if there have been payments in those years on apples - (Interjection)- Well, the honourable member says, what did you say? - (Interjection)- Mr. Chairman, you see, there is the smallness, the narrowness of the Conservative position when you in fact try to compare crops that are treated identically under the Agricultural Stabilization Act, they try and belittle you.

Mr. Chairman, apples were an unnamed commodity under the Agricultural Stabilization Act. Sugar beets is an unnamed commodity under the Agricultural Stabilization Act. On March 17, 1987, the Federal Government announced that they would be making payments for 1983 and '84, \$12.5 million on apples. Where is it on sugar beets? Where is the money that they owe farmers, which farmers themselves ask us to withdraw because we try to defend the farmers of Manitoba and say that was going to be one of our conditions to signing the agreement?

So, Mr. Chairman, now there are some suggestions of members opposite that somehow we are renegeing on the agreement because Alberta is prepared to sign tripartite and Manitoba isn't. Now, Mr. Chairman, first of all, the Alberta Government didn't have an agreement that Manitoba had, No. 1.

Mr. Chairman, No. 2, if the treatment of Manitoba and Manitoba's citizens was similar to the treatment that they have received in Alberta on banks, on the oil industry, instead of having hundreds of millions of dollars of cutbacks in education and health care in this province, offloading, the treatment dealing with the CF-18, all the other offloading, \$300 million in other provinces - and to say now that somehow we're intransigent, that we're stubborn, Mr. Chairman, defies all logic. And it is those Conservative members on this side of the House who are doing total disservice

to their constituents, to the people of this province. They should get up like David Kilgour did and say, enough is enough.

You know in fact, Premier Don Getty, you know why they got 350 million to Alberta? Don Getty said that the Conservatives in Ottawa are no better than the Liberals, and I tell you the tails went in-between their feet and said, let's come up with some kind of incentive plan, Mr. Chairman. For an industry that has continually said that government should stay out of their business, the federal Tories gave them \$2.5 billion in tax write-offs. No sooner than they were elected, now the industry is in trouble, what do we come up with? Another 350 million. When? When Don Getty said that the present Conservatives are no better than the Liberals. Here we have Conservatives who are so much in bed with their federal cousins that they can't even see beyond their blinkers, Mr. Chairman. The only one - and I only put one. The Honourable Member for Rhineland is the only one of that group who has had the intestinal fortitude to say that they are not doing right in terms of their treatment.

Mr. Chairman, what is analogous to this would be if your local municipality said to you - and those of you who are urban members, if the City of Winnipeg said to you - we're now cutting off picking up your garbage unless you pay for your share of the garbage. We want one-third from you as taxpayers and one-third from the province and now, all of a sudden, you would get up here and say, Province of Manitoba, we want you to share in garbage collection pickup with us to give the province help when historically the City of Winnipeg picked up garbage forever-and-a-day.

MR. A. DRIEDGER: That's a stupid comparison.

HON. B. URUSKI: A stupid comparison? The Honourable Member for Emerson says that's a stupid comparison? Is it? Is it when the Government of Canada paid 100 percent support for the sugar beet industry in this country? Now they want to offload 33 percent on the producers, 33 percent on the province, 66 percent now a provincial cost, Mr. Chairman.

What would excite them to provide a national sugar sweetener policy, as the Member for Virden has suggested. Well, they could be incorporated into tripartite. Mr. Chairman, I venture to say there would never be a sugar sweetener policy if the Federal Government would offload 66 percent of its costs onto the provinces and producers.

What would give them the incentive, since obviously they haven't lived up to the agreement to date? In fact, Charlie Mayer said to me - and I will put it on the record. Charlie, during our negotiations when I said, look, I want it in writing about the sugar sweetener policy, Charlie said to me: "Are you calling me a liar, that we won't have the policy in place"? Mr. Chairman, I didn't call him a liar, but I said I wanted it in writing and he gave it to me in writing. And did he deliver? Did he deliver? Any of you, is there a national sugar sweetener policy in this province today, in this country today? No, not one.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. CHAIRMAN: Before the member speaks, under Rule 42: "When a member is speaking, no member

shall interrupt, except to raise a point of order or a matter of privilege."

MR. G. FINDLAY: Well then can I ask the Minister a question? Would he answer a question since we're in Estimates?

HON. B. URUSKI: Sure.

MR. CHAIRMAN: The Honourable Member for Virden.

MR. G. FINDLAY: The Minister says yes.

He's talking about offloading. I would ask him if his government has offloaded education costs onto the rural municipalities of this province through the special levy. Has he offloaded?

HON. B. URUSKI: Mr. Chairman, let the honourable member understand that, for five years running, the province did not raise its levy on the Special Education Fund that his government put into place. Five years running, there was no increase in the provincial levy.

Mr. Chairman, what is he talking about when he talks about support and consistency of support? Mr. Chairman, this province has consistently increased agricultural spending in this province, while his cousins to the west will be and have already cut agricultural spending sufficiently. We have stood by Manitoba farmers, Mr. Chairman. As a result of our Budget, there will be in excess of 20,000 farmers paying no education tax by virtue of our budgetary measures. Mr. Chairman, let the honourable member not forget that it was their administration that brought in the special levy and we have carried on.

We will be making changes over the years to come but, when we talk about offloading and we talk about constitutional responsibility, Mr. Chairman, I think we'd better deal with what Section 95 of the Constitution means, shared responsibility. What is the historic responsibility? Conservatives want to conveniently forget that, when it comes to extension, education, technology transfer and Crown lands, those are provincial responsibilities but, when it comes to income support, those are historic Federal Government responsibilities, Mr. Chairman. It's only because successive federal administrations have reneged on their commitment to agriculture, in the grain industry especially, that provinces have been forced into providing income support to producers.

So, Mr. Chairman, let not members opposite get up here and say that somehow someone is intransigent in terms of supporting an industry. Mr. Chairman, all of you with the exception of the Honourable Member for Rhineland should, in fact, really examine their consciences. They should have been on the telephone or, in fact, lobbying if those federal members were here. Mr. Chairman, if they in fact can provide \$50 million for tobacco growers in Ontario to get out of business, they surely can provide assistance to the sugar beet growers as well.

Mr. Chairman, maybe members opposite didn't know that, that the Federal Government just announced a \$50 million program to get tobacco growers out of the industry. Mr. Chairman, surely they could provide the historic support to sugar beet growers, the same way

that they have done for apples, the same way that they've done for sugar beets for 25 years, notwithstanding our commitment to put an additional \$3 million into that industry.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. A. BROWN: Thank you, Mr. Chairman.

I would like to start off by saying that the Minister has expressed a lot of our concerns.

First of all, I would like to thank the Member for Virden who used his grievance to go on sugar beets and to discuss this issue today. It is of extreme importance and it is of extreme urgency that we settle this as quickly as possible. Sugar beets can only be planted three-quarters of an inch deep and, no matter what somebody else said that we had till the first or second week in May, you plant sugar beets when the moisture content is right in the soil. If you don't do it that way, then you are going to stand a big loss in your production, because then you have to start waiting for a rain which could take up to four or six weeks before you get this, which would mean a substantial loss as far as tonnage is concerned.

When the Conservatives formed the government, one of the first statements that was made was that all stabilization payments, as far as agriculture was concerned, were going to be stopped. I assure the Minister of Agriculture for Manitoba that the sugar beet growers were one of the first people on the doorstep of the Minister of Agriculture, and they started lobbying. The stabilization was still outstanding for the years 1983 and '84, and very intense negotiations took place between the sugar beet growers and the Federal Government. If the Minister thinks for one instant that the sugar beet growers were not intense in their negotiations, then he's badly mistaken, because there was great concern about the industry at that time because that stabilization that was owing from 1983 and 1984 was something that was needed because there had been a substantial loss by the growers, if they were not to get that particular stabilization payment.

So an agreement was arrived at where, in order to keep the industry alive, the Federal Government was going to give a \$10-an-acre seeded benefit on the 1986 crop, and this we received. Now that was in lieu of the 1983-84 stabilization payment. Now, granted that was only about half the amount that they should have received under the former agreement, under the stabilization, yet it was more than nothing as had earlier been proclaimed by the Federal Government. The growers agreed to sign that agreement with the Federal Government, providing that they could come up with an agreement which would keep the industry alive.

That's where the tripartite agreement was arrived at, because the Federal Government said that whatever stabilization was going to be paid out from now on or entered into was going to be on a tripartite agreement. It's most unfortunate, Mr. Chairman, that the Minister didn't attend these meetings when a lot of these negotiations were taking place. He didn't attend, and he didn't have a person present, so he didn't really know how intense these negotiations were. We are all

the poorer off for it, because those negotiations - and indeed they were intense. We had the assurance that every commodity is going to be treated the same under the stabilization. It's going to be tripartite from now on.

So we have to accept what the government is saying, the Federal Government, and then we have to come back over here and negotiate with the Provincial Government, which we have been doing. Unfortunately, the Provincial Government thinks that they can roll back the clock and force the Federal Government to carry this alone. Well, I have news for them; they won't. There is just no way that - they won't. We again, after some negotiation this weekend, were told that there was just no way that the Provincial Government - they had to become part of this agreement.

The agreement that has been arrived at after much consultation is actuarially sound. The Minister really has very little cause for alarm that there is going to be a huge deficit at the end of the 10-year agreement because, after five years, they're going to open up the agreement and take a look if there's a deficit at that time. The farmers will be asked to contribute more in order to make that agreement actuarially sound. Now that is part of the agreement that the farmers have signed.

One thing that the Minister hasn't said and that is that, if the price of sugar remains where it is at the present time, they will not be asked to contribute \$315,000 this year. I forget what it was though. Was it \$296,000 or was it \$269,000.00? But let's say that it was \$296,000, if the price of sugar stays where it is at the present time. Then they will be paying substantially less than the \$315,000.00. But also, conversely, if the price of sugar should happen to drop, then the province would be asked to put in more money. Now that is the only way that you can draw up an agreement that is actuarially sound.

So I hope that the Minister is going to take all of these things into consideration. It is absolutely ludicrous for the Minister to let an industry such as this go down the drain when their benefits are from \$12 million to \$15 million a year, which they derive directly out of the sugar industry, when all they have to contribute is possibly - and we expect that the average is going to be \$315,000 over a 10-year period of time. But nobody can guarantee that because the price of sugar does fluctuate.

A MEMBER: Sign the agreement.

MR. A. BROWN: Sign the agreement that will go along with the fluctuating price of sugar, and you'd be surprised at how fast we will be growing sugar beets in Manitoba. We cannot have a different agreement in Manitoba than what they have in Alberta. Alberta has taken a good look at this, and they see that this is something that they certainly can live with, the government and the producers over there. They are willing to sign and, as a matter of fact, the contracts are being signed over there and the growers are starting to seed in some of the areas.

HON. B. URUSKI: Will this be as good an agreement as they signed? Will they honour this one? When we sign an agreement, we mean it.

MR. A. BROWN: Mr. Chairman, I would like to come back to the issue that the Minister has been raising all the time, that Charlie Mayer had made an agreement or had made a statement that we were going to have a national sugar policy. Well okay, everything did look as if we were going to have a national sugar policy, until such a time as what the cane people really started putting the pressure on. We've seen this before; we've seen this happen before.

Like I mentioned the other day, I've been involved with this for 25 years. Dammit, I know how hard we have negotiated over all these years, trying to get a national sugar policy. The only times which we ever really did get close to getting a national sugar policy was when the price of sugar was very, very high. You can never, ever reach agreement on this when the price of sugar is low.

So for Charlie to be optimistic and think that we were going to get a national sugar policy was probably a little over optimistic at that time. I could have told him that he was going to run into a lot of difficulty. But all we can say is that Charlie and Jake Epp did everything within their power to get a national sugar policy and, unfortunately, there were other interests that were more powerful than what they were, and they did not succeed.

So now what are we going to do? Because they were not successful in getting a national sugar policy, are we now going to let the industry go down the drain and all the benefits that go along with it, all the unemployment that's going to go along with it? There are a number of farmers who will be losing their farms if we don't keep this industry alive. I had a young chap in last week. He says, it's from the sugar beets that I'm making the payment on my farm. He says, if I have no more sugar beets, my farm is going to go back to the Manitoba Agricultural Credit Corporation. He says there is no way that I can continue farming if I don't have sugar beets.

There are going to be a lot of people who are going to be unemployed. I know at least of 20 families who will be on welfare if they can't hoe sugar beets during the spring, because that's the only cash income they get. They have a couple of cows, they have a couple of hogs, they have a couple of chickens, and they're self-sufficient in those areas. But the only cash that they get during the year is the money that they get from sugar beets. If you take that away from them, you take away their livelihood. They will be on welfare, and you'll be carrying those people on welfare.

It's a \$90 million industry total in Manitoba, and a lot of that money goes directly into these communities where these sugar beets are produced. Then ultimately from there, it comes into the city and it makes its circulation over here and the government gets their share of it. Then, of course, from there on, a lot of it goes down to Ottawa. But by the same token, it is ridiculous, it's absolutely ridiculous for this Minister to be playing games, and that is what he's doing at the present time, because surely he must see that, for the sake of putting up \$300,000 a year, he is going to do away with a \$90 million industry. This just does not make sense.

MR. CHAIRMAN: The Honourable Minister of Industry, Trade and Technology.

HON. V. SCHROEDER: Mr. Chairman, we're all very concerned with this industry, and the member who just spoke, I'm sure, knows the severity of the difficulty that there will be if the industry goes down. We know that on this side. That's why we have worked so hard to keep the industry in place. I know that he has worked and others have in the past worked to keep the industry going. We don't dispute that.

I do dispute some of the numbers thrown around by members of the Opposition. I think that's something we should get very clear in terms of the proportion of our economy that this will affect. It is a very small part of 1 percent of the agricultural land of Manitoba we're dealing with today. It is, in fact, affecting part of the crops of over 400 farmers out of more than 20,000 farmers. I think that has to be put into some perspective.

A MEMBER: So we'll dump them, hey?

HON. V. SCHROEDER: No, we shouldn't dump them. Every one of them is very important, but let us not pretend that this is the end of agriculture and, as well, let us work to try to support these people, and let us look at how we got to this stage and how we get out of it.

There's been the number \$90 million thrown around by an Agriculture critic, who I'm very surprised at because surely he knows that, just as an example in the last year, we have numbers for 1985 -(Interjection)- Yes, of course, he probably doesn't know. In 1985, the factory value, including subsidies of sugar beets in 1985, was \$13 million. The subsidies -(Interjection)- this is not - I'm sorry. Stop and think about it. That includes the subsidies of close to \$6 million.

So we're dealing with, out of a Gross Provincial Product in that year of somewhere in the range of - what? - \$17 billion, we're dealing with \$7 million, just over \$7 million in the last year we have numbers for, of production. So let's put it in some perspective.

When he says that there are going to be millions of dollars in terms of things like the health and education levy, there's a \$4 million payroll from the last number we've seen at the company. That works out to under \$100,000 a year in health and education levy, and that includes - these are the kinds of numbers that are being thrown out here. That includes the health and education levy for those employees in the central office and warehousing and distribution who will remain here whether the plant is here or not.

So let's get the numbers into some accuracy and not have these kind of blown-up nonsensical numbers that particular . . .

A MEMBER: Give us the trucking industry.

HON. V. SCHROEDER: They say, "Give us the trucking industry." I can assure you, Mr. Chairman, the trucking industry will not receive anywhere near the \$13 million which the farmers got for their sugar beets.

How many times do you want to count each dollar? The farmer gets \$13 million, including \$6 million out of government, turns around and pays the sugar beet weeders out of that, turns around and pays for his equipment out of that, pays for his gasoline out of that, pays for the truckers out of that, and still, hopefully,

makes a little bit of a profit, maybe not very much. If he didn't make any profit, then one would hope that one would look for a crop where you could, because there's already \$6 million out of \$13 million in government money in there.

That's not the case with sunflowers, that's not the case with canola, that's not the case with potatoes or other crops that we're trying to get people into. We're not putting those kinds of continual subsidies into other crops.

So let's be a little bit careful in terms of how you throw numbers around and, in fact, the wholesale price of that sugar, which would be a more appropriate calculation as to what the industry is worth overall, would have been under 25 million for that year, I would estimate, although I don't have that specific number. I say that because of historical methods of payment which I know have deteriorated since then in terms of the farmer, because it used to be that the farmer got somewhere in the range of 62 percent, 63 percent of the price of sugar, and it's probably closer to 50 percent or 40 percent now. But on top of that 40 percent, of course, there's a larger subsidy in 1985 than there were in some years, although the subsidies were on in almost every year, notwithstanding the fact that the Conservative critic refers to one year out of about 30 years where there was a slight benefit in terms of consumer prices for Manitoba as a result of the program.

Now I should make the preliminary point as well that the emergency debate motion of the Opposition was one of the purest cute stunts that I've seen in this House in a long time. Given that we were discussing insurance on sugar beets as soon as we were going to adjourn, given they know the rules of the House, they knew full well that there was no way this was going to be in order; it was going to be out of order. It was out of order, and the first thing we did after we got out of the House was to discuss sugar beets, but it did give them an opportunity to ring the bells for awhile and waste some time they could have spent talking about sugar beets.

Now they talk quite a bit about Alberta . . .

MR. J. DOWNEY: If you don't spice it up a little, we might as well move onto to another speaker on my side so we can hear something of substance.

HON. V. SCHROEDER: Well, Mr. Chairman, I suppose the Member for Arthur is now out of the woodshed and everything turned out okay. There's not too many stripes on his back and he's back into heckling. Welcome back, Jim.

A MEMBER: Did you get your axe sharpened, Jim?

HON. V. SCHROEDER: Maybe he can tell us what happened in the woodshed when he gets his chance.

MR. CHAIRMAN: Is the Member for Arthur raising a point of order?

MR. J. DOWNEY: Yes, I am, Mr. Chairman. I just want the member to know that I'm out of the woodshed, but he sure is a devil of a long way into the woods.

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MR. CHAIRMAN: That is not a point of order.

HON. V. SCHROEDER: Mr. Chairman, one problem the member does have, he tends not to be able to see the forest for the trees, but I'm finding a few sugar beets in the forest.

I want to talk a bit about Alberta, because we've heard a lot about this notion that they say, Mr. Chairman, we cannot have a different agreement with the Federal Government than the Province of Alberta has. Now of course, in 1985, we had a different agreement with the Federal Government than the Province of Alberta did. They know that full well. They also know that the Government of Canada reneged on that agreement with Manitoba in 1985, and that issue is glossed over by members opposite.

The fact of the matter is that the Province of Manitoba had a different agreement with the Government of Canada in 1985 than the Province of Alberta did, and there is no necessity by law, custom, usage, politics or whatever, or tradition, that we have to have the same agreement with the Federal Government as the Province of Alberta does.

In fact, the agreement quoted by the Conservative critic for Agriculture, under which all 10 provinces agreed to enter into this agreement with the Federal Government, specifically stated that any agreement entered into on a national basis should be regionally sensitive, should be considerate of the regions of this country. That's what the Federal Government is doing.

Let me give you an example of where they're doing it in another place with the investment tax credits. A farmer in Eastern Canada - in the poorer areas of Canada, in the Maritimes - will get, if he buys a piece of equipment, a 20 percent investment tax credit which he can write off against his actual federal tax payable, and we don't complain about that. In Manitoba, it used to be 10 percent, and it's going down to zero.

So a Manitoba farmer gets zero in terms of that kind of an investment tax credit once that program is implemented by the Federal Government. A Maritime farmer gets 20 percent, and we don't criticize the Federal Government for that. You've never heard us say one negative thing about the differential between us and the Maritimes, because we recognize that the Province of Manitoba does have a stronger fiscal capacity than those particular provinces of this country. We believe in being regionally sensitive, in being fair.

Now where we don't think we should be on the same keel is with the strongest province in the country, and that happens to be Alberta in terms of Gross Domestic Product over a period of time. They have had tremendous growth. Even with the problems they're facing now with their economy, they have a much larger Gross Provincial Product per capita than Manitoba does. In fact, we believe there is nothing wrong with the Federal Government saying that a province like Manitoba which, although not as poor as the Maritimes, is much less well-to-do than Alberta should and could have a different agreement with respect to sugar than the Province of Alberta.

Mr. Chairman, we've had four years of Tories when all the indicators headed in the other direction - downhill. Population -(Interjection)- four years we had. By the time we came into office - and I don't know how this

relates to sugar beets. When we came into office, we had a deficit of more than .25 billion. We had the highest per capita deficit in Western Canada. Today, we have about the lowest per capita deficit in Western Canada.

SOME HONOURABLE MEMBERS: Baloney.

HON. B. URUSKI: Well, I'm sorry, they say baloney. Our deficit this year is what? Saskatchewan's is 1.2 billion for last year; in Manitoba, it was under 600 million; Alberta's is in the range of \$3 billion; Manitoba's is at under 600 million; B.C.'s is at about 1.8 billion. So in fact, our per capita deficit is the lowest in Western Canada and, when your people left office, it was the highest in Western Canada. So don't tell me about deficits.

Back to Alberta -(Interjection)- well, the Member for Arthur is getting pretty excited again. He remembers that when they left office they had more than a .25 billion deficit, which they don't like to acknowledge, and books for expenditures and taxation for the next year for over a .5 million deficit, which he full well knows about as well. So don't tell me about a Tory deficit; just look around you.

Now -(Interjection)- no, I haven't lost my place. I want to talk a bit, not only about the differences in fiscal capacities between the different regions - and we believe that any Federal Government worth its salt will be regionally sensitive. I want to talk a bit about national policy to protect Canada's interest on sugar policy.

The Member for Rhineland will full well remember why we got into this in the first place. That was that we should, as a country, have some capacity for producing our own sugar, certainly not 100 percent, but some after the war-time experience, and that's been the rationale all along for the sugar policy, for providing the funding.

You can go back to the Diefenbaker days. When the Federal Government took this role on, there was a national policy consideration, and here we are saying that the Province of Manitoba with 4 percent of the population of Canada is supposed to bear a fairly large proportion of the burden of federal policy. If that is an important federal policy and objective, as it has been since John Diefenbaker, then I suggest that it is fair and proper that by far the bulk of the costs of national policy should be borne by the national taxpayer and not by the taxpayer of Manitoba.

Now, we had an agreement and we have an agreement with the Federal Government that says, after the 1985 crop year, there will be no more payments by Manitoba and, further to what the Minister of Agriculture says, I was involved with some of those meetings in 1985 too. I believe that Mr. Mayer was and is sincere in terms of the sugar policy for Canada and hoping to get one.

We don't question his sincerity on attempting to get a national sugar policy, but what I am saying is - and that's something that is up to the Federal Government. It's not up to the Provincial Government and we haven't been critical of them in that area, not at all - what we have been saying is that the part of that agreement which must be operative is the part that says that from now on the Federal Government will make the payments. That's the part of it that I think you people

should be working on in the next couple of weeks, the part that says that the Federal Government, Charlie Mayer and the rest of them, has taken on the responsibility, in Manitoba's instance, not to be asking the Provincial Government for one more penny after the 1985 crop year.

Now, notwithstanding the agreement we have with the Federal Government that says that we will not be paying any more money after 1985, we have said to the Federal Government, after they came and said we have to have tripartite and it's \$315,000 a year on average for 10 years plus the deficit, we said to them we really don't think this is fair. We have an agreement with you. The agreement calls for you to take this on. We don't think it's fair that the growers of Manitoba have to take on one-third of the burden of the national sugar policy any more than the Government of Manitoba but, if the growers say they're prepared to accept that, we are prepared without the deficit to go along with the one-third.

Now what does the Opposition say? They tell us, oh you won't negotiate. That's what they've been telling us, you won't negotiate.

First of all, we negotiate an agreement that says specifically we don't have to pay any more. Then the Federal Government, in the face of that agreement, comes forward to us and says, notwithstanding that agreement, you're going to have to do this. We say, well no, we're not going to do this, but we'll do that. We'll give you \$315,000 a year for 10 years, no more, not one penny more than the \$315,000 for 10 years, and they say, no, it's not negotiable. Then we have the Tory critic get up in this House and have the gall to say that we're the ones who won't negotiate. That's one of the most interesting jobs of negotiating I have ever heard in my life.

We're the ones who put an offer on the table. They simply say no, and then it's our responsibility to come back with something else even though we have a signed agreement, and I repeat, that agreement is different from Alberta's agreement. This agreement did call for no further payments from Manitoba after 1985, even though the Alberta agreement did not. Now how do we get out of it?

Mr. Chairman, when we speak with members opposite with their mikes off and they tell us, yes, I'm talking to Charlie; yes, I'm talking to Jake; yes, I'm talking to Jack and so on; they are. I believe they are. I believe they're calling their M.P.'s. But, you know, that's not going to get us out of this mess. The only way you're going to get out of this mess is to call not only Jake and Jack and Charlie, but to call your editor, to call your sugar beet growers, tell them to get the guns off the Provincial Government. It's not their fault and they can't afford to pay more.

Get your guns on the culprit. Get your guns on the people who are violating the agreement. Get your guns on the people who are in charge of national sugar policy. Get your guns on the people who you have been electing to Ottawa for 20 years, faithfully telling you that they will do better than the Liberals. For 20 years, you have been sending Charlie and Jake and Jack to Ottawa on the premise that they would be able to deliver more to you than could Mike Pearson or Pierre Trudeau and so on. Have them deliver.

Now agree, they've done the best they can under the circumstances. Change the circumstances, and how

you're going to change the circumstances is to have every single one of your sugar growers tear up his party card and send it in. The way you're going to change their ability to negotiate is to have every one of those people who weed sugar beets, every one of those people who drives your trucks, every one of those people who drives your tractors, every one of those small businesspeople who are going to be affected in the towns represented by Charlie and Jack and Jake, tear up your Conservative cards, send them in to Ottawa. Tell them you're not renewing until you have a sugar policy that is fair, a sugar policy that keeps the word of the Federal Government in accordance with the agreement it made with the people of Manitoba, a sugar policy which doesn't rest on the backs of the sugar growers of Manitoba, a sugar policy which will work for the future, a sugar policy which is not different in terms of contribution than apples.

And I think we can compare it to apples because, on apples, they're getting 100 percent under the Agricultural Stabilization Act from the Federal Government, not one-third from the farmer, one-third from the province and one-third from the Federal Government - 100 percent to Ontario and Quebec, 100 percent for soya beans, Ontario and Quebec; 100 percent for winter wheat, Ontario and Quebec. Here you are attacking us because the feds are reneging on their contract with us, a legal contract with us.

They are reneging on 25 and more years of history with you, reneging on the commitment of the John Diefenbaker Government to the farmers of Manitoba and Western Canada, and you turn around and say to the growers, attack the Provincial Government? That is just incredible and, if you don't want to play politics with this, if you want to be serious - that kind of a headline would not come out of an NDP area. If a federal NDP M.P. was a part of a government that was destroying our agricultural base, I would expect that our local people would not be training their guns on the Provincial Government. They would be training it on the people who are shooting on us, and that's the Federal Government.

This is the only geographical part of Manitoba that this could happen to. It is the only geographical part of Manitoba that could be in this terrible position because they have no representation that's prepared to stand up for them. If it was in an area like the Minister of Agriculture, he would be going to the growers and saying, look, the federal NDP is doing something wrong if it happens to be the federal NDP. If it happened to be the Conservatives, he might be a little happier at doing it, but he would do it whether it was NDP or Conservative. He would stand up for our rights down here, and that's what you're not doing. You're not doing that for your constituents and you know yourselves that the quiet, behind-the-scenes phone calls - (Interjection) - the proposal is very simple.

A MEMBER: What is it?

HON. V. SCHROEDER: Call your constituents. Tell them to tear up their Federal Conservative Party cards. Let Jake Epp know. Jake Epp is going to be representing Rhineland, I daresay, after the next federal election. I expect that he will win that seat. There are a lot of

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sugar beet growers there; I would expect that he should be notified that there are thousands of people - not 10 people - thousands of people from his constituency who are good and angry. Give him something with which to go into Cabinet the way Bissonnette can go into Cabinet and get Oerlikon for the Montreal area, the way people can go into the Cabinet and get the CF-18, Dalton Camp go in and argue so vehemently for Montreal on the CF-18.

At our meeting in Montreal we had our Premier standing up and saying what he thought about the CF-18. At our meeting in Ottawa, we had Ed Broadbent standing up and saying, let's have the Auditor-General look at this. At our meeting in Winnipeg, we had Ed Broadbent standing up and saying that the CF-18 decision was unfair. Now where are you? Where are you on sugar beets?

SOME HONOURABLE MEMBERS: Oh, oh!

HON. V. SCHROEDER: They're rewriting rental contracts in Hull, Quebec. Surely they can rewrite an offer for sugar beet farmers in Manitoba that's going to cost them an awful lot less than that particular rewritten contract, so don't tell me those kinds of things.

Surely it's not unreasonable, after we have a contract that says we've made our payment. Our final payment was over in 1985, and we paid \$3 million to save the industry. It was a one-time payment and even after that, Mr. Chairman, we've now come up with another \$3 million. We've never had a counteroffer, and it seems to me that we have done far more than is reasonable. It is time now for those people to tell the growers that they've made a serious political blunder by going after the people who've been helping them. It's about time they started going after the people who have been deserting them.

I met with the Grower's Association president back in December of 1986, and I told him then that anything we can do on the periphery, we're prepared to do, I'm sure, but the people you better go after is your M.P.'s. Jack Murta has been your representative now since 1972. It's time that he delivered. And I've been calling into that particular area. In fact, I was out there on Sunday. The people are telling me they haven't heard from Jack on the issue and they haven't heard from their federal people and they're telling my colleagues, who are on the phone with people who are concerned about their livelihoods, well we can't reach those federal people. So they're talking to the NDP urban Ministers because they can't get ahold of their rural M.P.'s. That's what happening here.

It's very easy for them to get away with it as long as we have this mushroom over it that pretends that somehow it's those nasty socialists in Winnipeg who are at fault because the federal Tories are breaking their promise, because the federal Tories are breaking with the Diefenbaker tradition, because the federal Tories are breaking with the very agreement that was referred to by your critic that refers to regionally sensitive policies in this country, a federal Tory Government that is simply breaking faith with your area of the province. It is about time that you fought back in the way Don Getty fought back in Alberta and got his money. It's about time you fought back the way

some of the people who felt they had been nailed in the Montreal area fought back. They got their money, and so on.

So I would suggest you go after the one target that can possibly save the industry for you, but stop and think about it. How else are you going to save the industry? There is no other way. We've put our offer on the table; there was no counter given; it was rejected out of hand. There have been agreements in the past that have been different between Alberta and Manitoba. There are policies that are different from province-to-province and region-to-region, as there should be, so get busy. Let your federal people know that it is time to deliver. Give Jake Epp the weapon to go to Cabinet with - 3,000-4,000 resignations from Provencher would shake up Brian Mulroney. Remember when the CF-18 was given to Montreal and the television image of the person who worked at the factory there. He said, "We had Mulroney with his pants down."

They had that kind of pressure on from over there, and it seems to work, so I would suggest to members opposite that they get busy. I'm very serious about it; we can save the industry. The way you're going to save the industry is specifically to give your federal M.P.'s, Charlie, Jake and Jack the weapons with which to go to Cabinet, to go to Treasury Board and to tell them, fix this up. This is not fair to Manitobans. This is not fair to Manitoba sugar beet farmers; this is not fair to Manitoba sugar beet workers; this is not fair to the taxpayers of Manitoba. We expect you to deliver on the agreement you entered into with the Provincial Government but, much more, we expect you to keep faith with our people who have kept faith with you for the last quarter century.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. H. PANKRATZ: Thank you, Mr. Chairman.

After that speech from the Honourable Member for Rossmere, you really wonder who is the agricultural critic in the government or the Agriculture Minister, I should say.

I do want to, for the record, first of all I want to thank our agricultural critic for giving up his grievance time to go on grievance in regard to sugar beets. I believe also it is a very important industry to the province and for him, not even growing them and everything, I think it's a great honour for him to have done that. I want to compliment him in his remarks he made. I think he covered it as well as we can expect anybody to cover the whole sugar beet industry.

I think he pointed out, item by item, exactly how it transpired, but I want to go for the record just back a little bit and go back on some correction I believe that the Minister of Agriculture - like I got up and stated about the year in regard to Alberta, but I want to go back and stating, in the year 1983-84, there was not a stabilization payment made to the Province of Manitoba sugar beet growers.

In the year 1985, the Province of Manitoba gave the growers of Manitoba something in the neighbourhood of \$3 million. Then in 1986, in order to keep the industry already alive, negotiations were already transpiring in regard to tripartite stabilization, but this Province of

Manitoba was not willing, did not ever attend - this Minister hasn't attended one of the meetings. In order to keep the industry alive, our Federal Ministers, they went on the limb, and at that time said we will now go retroactive in regard to '83-84. The Growers Association wasn't happy with it, but when you're grabbing at the last straw, that's basically what they were doing. The Federal Government said, we will go in a two-party structure for '86, which they did, and they gave an additional \$10-a-tonne, which is based on your previous, I believe, three-year average. Alberta did plant beets in 1986, as the Minister did indicate, and they had, the Province of Alberta, I believe already in '85 stated that they would be putting up \$10-a-tonne to their growers. The Province of Manitoba did not do anything likewise.

We heard the Member for Rossmere go on all kinds of tantrums on all kinds of other jobs and so forth. The Government of the Day, how much recognition do they give the Federal Government for putting 29 million into Limestone over three years for job creation? Have any of us ever heard that the Federal Government is putting \$29 million into Limestone for job creation? Everything comes out only that the Province of Manitoba is giving all the job creation funds. Well, 29 million directly comes from the Federal Government.

The other point I'd like to make, 37 percent of the total provincial Budget is federal money. The Member for Rossmere, I wish you'd take note, 37 percent of the total provincial Budget . . .

HON. V. SCHROEDER: When we took office, it was 46.

A MEMBER: 37 percent, where do you get those figures?

MR. H. PANKRATZ: I believe it's 37 percent. I stand to be corrected. Maybe you have different figures. I'm sure you, in your wisdom, will - I believe, in your wisdom, you'll be able to juggle figures long enough. But anyhow, this is what it amounts to.

It's an industry that I don't think I want to belabour anymore. I think our critic of Agriculture has laid it all on the line. He's put it in regard to jobs; he's put it in terms as when our Agricultural Minister signed a national policy. I think all of this has been recorded. I don't think that we, as a Growers Association, can do anything more than what has been done.

I think the association has worked as hard and as diligently with our Agricultural Minister as has been possible, but what can you do when the Minister of Agriculture will not attend a meeting? He is right with saying that he had no input, but you have no input if you don't attend. I think that's the bottom line. You've got to attend these meetings.

It was the Federal Government that kept the industry alive in '86. If not, it would have gone under, but they indicated it was a one-year term. I think the Minister of Agriculture will be able to recall all of that and I think it's totally unfair for him to make the comments and put them on record that he has been trying to negotiate. I think absolutely nothing of that is true. It's farther from the truth than ever, any statement that he's made.

One of his associates did attend one meeting - I believe it was held here in Winnipeg in the fall of '86 - and he did introduce an idea which no growers object to, and I think it was a very positive agreement. If the price of sugar should in the 10-year period climb above the support level, then the growers' contribution would be higher. That has become part of this tripartite stabilization plan, which Alberta is now willing to sign. They're under the same tripartite stabilization plan, and it comes not from the Minister, but from one of his associates. I don't remember exactly which member, but it was the only one who attended the one and only of all the five meetings that were held.

I think we've got to draw this to the attention of our Agriculture Minister. He has refused to attend. He has refused to ever call a meeting. - (Interjection)- Well he is shrugging his shoulders. I would gladly give him the opportunity, at least to just state whether he has once called a meeting, whether he has once attempted. All of the documentation that I have doesn't indicate anything that our Minister of Agriculture has once, in the past three years, attempted to have an agreement made with the Federal Government.

So from that point on, I feel whoever put the article in the paper in regard to seeding time, giving us two weeks in May, obviously I believe hasn't been actually a sugar beet grower, at least not truly giving it any thought. Because in our area, where I come from, I would state that I believe in the last five years, I would say that about 75 or 80 percent of all beets have been seeded in April, and I think in the Rhineland area, it's even higher.

So it is very important as to the seeding date and I don't think we can actually - like the article indicated - that we'd have two weeks in May. I don't believe that's a true figure, because basically growers have to seed when the moisture in the soil is at the right stage in order to have these tiny seedlings germinate into a sugar beet crop. So I believe that timing the seeding time - I hope it's a misquote, because I think every grower knows that we're way more vulnerable to time as that is concerned.

I do want to, for the record, state from the president of United Food and Commercial Workers International Union, Local 111, and he states - and this letter was written September 17 - "Fortunately through some last minute Federal Government assistance to the sugar beet growers in 1986," I'm not reading you the whole letter but he says, ". . . fortunately that the government came through with some assistance to keep the industry alive for 1986.

"However," it goes on, he says, "you will have to agree that this uncertainty cannot continue. A solution other than a piecemeal basis has to be found to keep the sugar industry alive." This is a letter that was addressed directly to our Honourable Minister of Agriculture. "Therefore we are hereby urging you and your colleagues in government to support the proposed tripartite national sugar policy, which has been endorsed by the Manitoba Sugar Beet Producers Association, and I believe . . . "and it goes on.

For the record, I'll even read you this last paragraph as well: "Manitoba cannot afford to lose this industry and the jobs that go with it. The payroll and benefits out of the sugar processing plant alone amount to well over \$5 million annually. If, by participation in the

proposed national sugar policy, the annual cost to the Province of Manitoba will be approximately \$315,000 as quoted by the Manitoba Sugar Beet Producers Association, it would be a very small price to pay to save a viable industry." This is from the union president himself, and I feel it should be part of our record.

Mr. Chairman, I have a little bit of a problem with the next issue that I want to raise. Australia is supplying Canada with 373,600 tonnes; Cuba is supplying 195,900 tonnes; South Africa, 125,900 tonnes of imported sugar from these countries. What did we do with the South African wine? What did we do with the wine? What did you do with the money; did you not pay the wine? I think I don't want to elaborate on that, but I think it just proves that you're boycotting their wine, but you're allowing their sugar to come in.

I think our Agriculture critic, he drew it very much to the point when he said, the value of the industry. In total, it's about a \$90 million industry. I think this Minister of Agriculture, in all fairness, I believe this Minister of Agriculture should save face. He should do the honourable thing. If he doesn't want to resign, by all means, he should sign the tripartite agreement. It is a great asset for the Province of Manitoba in regard to this industry as a whole.

But it just proves that we have not a government that is run basically by the members elect. It seems to be we're getting more and more to the system where the Minister of Agriculture is sort of like a dictator. It reminds me basically of how the system is run in Russia. I think we've come a long ways from it, and it's unfortunate that basically we're heading back to the old system.

I would wish that our Minister of Agriculture would review the situation and would familiarize himself once more with the tripartite agreement, because obviously from our discussions we had the other night - I believe, it was Friday night - he was not familiar with exactly what it consisted of. So with that, I think we on this side of the House would right today, I believe, give him a lot of credit, publicly and otherwise, if he would consider the tripartite stabilization once more and if he would come up, at least if nothing else, with a counteroffer.

Thank you.

MR. CHAIRMAN: The Honourable Minister of Finance.

HON. E. KOSTYRA: Mr. Chairman, I had not intended to participate in this discussion this afternoon but, when I hear the comments from the member talking about the Minister of Agriculture being a dictator and the way he's dealing with this issue, I . . .

A MEMBER: You're a dictator, eh? Are you?

HON. E. KOSTYRA: Yes, let's talk about that, because I've been involved for the last six years of dealing with federal-provincial relations, both with the previous Liberal Government that wasn't all that easy to deal with, and now a Conservative Federal Government.

And you want to talk about dictators? Let's talk about dictators. Let's go right back to November of 1984, just a month after or a little over a month after when your party was elected in Ottawa, when people were

expecting change. People said, finally we've got a government now that represents all the regions of this country. There's going to be change, there's going to be some fairness going on in this country.

Let's talk about dictatorship. Let's talk about the de Cotret statement of November 1984, when he announced arbitrarily that they're going to stop the funding for Science Place Canada. Was there any consultation with the provinces? Was there any consultation with the private sector in Manitoba about that pulling out of the funding? Was there any? No, there was a statement like a dictator, saying we're pulling out of it and we're not going to supply any funding for it.

Then what did they do? The Science Minister at that time came to Manitoba and met with me. He says, "We want you to cost-share and pay 50 percent of the funding for that centre, 50 percent and that's it." Consultation, negotiations? No. Dictatorship, yes. He says: "You will pay that or else we're going to just close it right down, folks." That's consultation, that's co-operation, that's negotiation? He killed the centre, and he wanted the province to revive the corpse with the taxpayers' money in the Province of Manitoba.

Did they do the same thing to that same centre that was being built in Quebec? No, they didn't. They continued the funding for that centre in the Province of Quebec. Is that how you define fairness? Is that how you define cooperation where you say to one province, no we're going to cut the funding for a centre, and then another province in Quebec that has far greater clout obviously with that government than this province - and that says something about you across in this House, because you don't do anything to change that to affect the thinking of your colleagues in Ottawa.

They didn't go and cut the funding for that centre, but they cut the funding for this centre here. They didn't want to cooperate. They wanted to dictate to the province and said, no, we're going to cut that centre. That thing is still standing like a white elephant over there, because of the situation and the decisions of your colleagues in Ottawa, which put the boots to the people of the Province of Manitoba.

I'll go on right through a whole bunch of examples like that. The member talked about the fact that the Federal Government is providing 37 percent of the support in Manitoba of our Budget. Well, that's not true. The level is now 30.9 percent. Do you know what that's down from the time that your colleagues got into government in Ottawa? It's down from 43 percent. If you take a look at that difference in support, do you know what that amounts to? That amounts to about \$490 million. If they kept up the same level of support to the province, to our expenditures as they did when they first came into government, the difference is \$490 million. If we didn't have to deal with those kinds of reductions, we would have the kind of money to deal with the situation we're debating here today.

But if you start looking at every one of the decisions that Ottawa has forced on Manitoba, unfair decisions like the situation we're debating here with sugar beets, like that white elephant that's sitting empty because they wanted to cut funding to that and not to a similar centre in Quebec - do you want to talk about the reduction in equalization payments? Do you want to talk about the reduction in payments under EPF? All that is hurting a province like Manitoba.

And what are they doing on the other hand at the same time, as the Minister of Industry, Trade and Technology talked about? They've got all kinds of money for projects in the Province of Quebec. Was it a week ago when they poured hundreds of millions of dollars to General Motors in Quebec?

A MEMBER: \$130 million.

HON. E. KOSTYRA: \$130 million for a rich, profitable large corporation, but they don't have the funds to deal with the sugar beet industry in the Province of Manitoba. What does that say about the way your party deals with regional differences in a small province like Manitoba when they're a party in Ottawa? What does that say about it? I'd be very embarrassed.

I know the Member for Portage la Prairie is quite agitated, because I know that this kind of issue bothers him because he knows that his federal colleagues are not doing the job for Manitoba. You know that, and that's why you're getting agitated because you know that. If you look at the history since your party has come into power in Ottawa, they've done decision after decision that's impacted negatively on the Province of Manitoba. At the same time, they've had no end of money and no end of reasons to support projects in other parts of this country, areas that don't need that kind of assistance, like agriculture does right now.

A MEMBER: Come on, tell the whole story. You loading your problems off on the municipalities.

HON. E. KOSTYRA: We have not reduced any funding for any municipality. You show me where support has gone down. You show me support to either education or municipalities that has gone down from 43 percent to 30 percent, like your colleagues have done to the Province of Manitoba. Show me.

A MEMBER: You're only funding 60 percent to 70 percent of education.

HON. E. KOSTYRA: Show me where that has gone down by 13 percent. Show me where it's gone down by 13 percent. Show me where they've actually cut spending. Show me where we've left a building unfunded like Science Place Canada.

A MEMBER: Why don't you move into it? What are you afraid of? Why don't you move into it?

HON. E. KOSTYRA: Why don't we move into it? Why don't the taxpayers of Manitoba support that centre? -(Interjection)- That's right, your colleagues are double-speaking, because they didn't do the same thing to the centre in Quebec, did they? They kept the funding up for that centre.

A MEMBER: Are you anti-Quebec now?

HON. E. KOSTYRA: No, I'm not anti-Quebec; I'm very pro-Quebec; I'm very pro-Canada. I'm also very pro-fairness. So, if you're going to do those kinds of things for Quebec, you should darned well do them in Manitoba.

But your colleagues in Ottawa have consistently done the opposite, and that says a lot for you. You guys have no clout with that, or else you don't even put the effort into it. You merely sit back and take everything they say and say, yes, yes we agree. We'll go back and we'll go after the Minister of Agriculture in Manitoba to support sugar beets, even though we know that you're wrong in not supporting it. You can go through every area that there's offloading onto the provinces.

Now they want to give us the airports, another gift to the provinces. We're going to give you the airports to run, so that we don't have to support them as part of a national transportation policy.

Just think about what they're doing to this country. And this issue here, sugar beets, is just one small example of what has been going on for the past four years in Ottawa. It's got to change. The only way it's going to change is if all Canadians get up and say, enough is enough, just like your colleague in Alberta, Mr. Kilgour, who got up and said, enough is enough. The West is not going to take it any more.

I travelled through Edmonton this week and, Saturday morning, I stopped in Edmonton. You should see the papers there, what they're saying. There are ads from ordinary Albertans saying, enough is enough. We support Mr. Kilgour. Come on Federal Government - change! Now why don't you do the same thing here and stand up for Manitoba and say, enough is enough with the sugar beet policy? We want fairness in Manitoba.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Chairman, and I appreciate the fact that you've allowed some wide-ranging debate on a matter which is of extreme importance to the Province of Manitoba.

Mr. Chairman, let us just take stock of what happened in the last few days. We have seen the total collapse in Manitoba of the packing house industry, the largest packing house in Western Canada. We saw 350 people walk away from jobs under the New Democratic Government. There will be another, Mr. Chairman, 450 people walk away from that plant. Why, Mr. Chairman? Because of his famous payroll tax. Because of the fact that he didn't support the feedlot industry in a meaningful way as a government, Mr. Chairman. Who helped Versatile, and who told the Provincial Government to stay out of it or they would mess it up?

Now, Mr. Chairman, we're seeing the collapse of the sugar beet industry. Why? Because of their pig-headed policies of trying to bash the Federal Government, and they haven't got one bit of evidence, Mr. Chairman. The Minister of Finance stands in his place and goes after the Federal Government about fairness, fairness and equality. Why did they take the RCMP out of the southwest corner of the province to put in their northern ridings, Mr. Chairman? Why did they do it? Oh, they said you can have RCMP in Reston and Deloraine, but you've got to pay for it as local taxpayers. Come on! Who's talking about fairness? Who's talking about equality? It's the Minister of Finance who's the worst culprit of all.

Let's talk about the total dollars, Mr. Chairman, that are going into agriculture in Manitoba, as opposed to

what federal-provincial money. The Federal Government put \$534 million into the agriculture community this coming year through grain stabilization, special grains program, through all the programs available. How much did the Provincial Government put in, Mr. Chairman? I believe, there's \$85 million. It's a shared responsibility, and they say they're the big spenders in agriculture?

They're tying their argument to one thing, and that is the political bashing of Ottawa. They think that there's mileage is in bashing Ottawa. Read the press; read the public impression, Mr. Chairman, about whose side the public are on. The public want the sugar beet industry in Manitoba to be maintained.

Let's just use an example. I'll try to put a little reason into this argument, Mr. Chairman, because there's been one argument that hasn't been raised. I haven't heard one person today speak on behalf of the consumer. What, Mr. Chairman, are we doing here? We are seeing our grain industry, our grain producers competing against other countries throughout the world who have now become self-sufficient. That's a tremendous ambition, to become self-sufficient in the production of food.

What are we doing with our sugar industry? We're saying, we're now prepared to throw the sugar industry out and put the consumer to the vagaries of the world sugar producers, and not give them any protection with a domestic sugar industry. We'll let the banana republics have their wars, and the price of sugar will go up and down like a yo-yo. We say to our consumers, today all we're asking for is \$315,000 of your tax money in Manitoba to help maintain 200-and-some jobs, 400 producers, and all the support industries. What is important to the consumers is the fact that they're going to be maintaining a stable sugar price.

I ask the press to tell the people of Manitoba not just the fact they're losing jobs, not just the fact they're losing farmers and a total industry, but the consumers are being thrown to the vagaries of the world sugar market which, if you look back into the past, has been on a roller coaster. I can tell you for a fact because I've got sugar producers as colleagues who, when the sugar prices went up several years ago to a tremendous peak, do you know what? They didn't follow that peak to the top. They took less of a dollar for their sugar than they should have, because they subsidized the consumers of sugar when sugar peaked when those erratic times hit with international sugar prices. So, I plead with the consumers.

I plead with the member sitting on the front bench who represents urban ridings. I plead with the members to say, look it's just not a farmer's issue; it's just not an industry issue; it's a consumer's issue.

The members talk about fairness. They always go to fairness. Well, I'll tell you about fairness. Not too long ago, Mr. Chairman, they were at a meeting in Montreal, this big NDP national meeting where this fellow by the name of Mr. Broadbent was really up on a good roll. He's up high in the polls, or higher than he's been ever in his life. He's riding high and he's in Quebec. They're in Montreal. The Premier of Manitoba is there, the former Premier of Saskatchewan's there, and what are they doing, Mr. Chairman?

Yes, they're playing the big political game. They're playing to Quebec. What do they want Quebec to do? They want Quebec to sign the Constitution. Sure, they

wanted Quebec, we all wanted Quebec to sign the Constitution, but what is their national party saying? What is the former Premier from Saskatchewan saying? What is this Premier of Manitoba saying? What are all the New Democrats in Canada saying?

Well, we want you to join so badly that we'll give you special status. We'll give you special privileges to join the Canadian Constitution, to sign the Canadian Constitution. This Minister of Finance says that the Federal Government is being more than fair to Quebec. Yet he and his colleagues and his Premier and his national party will say, not only will we give the Federal Government heck on one side of our mouth, but we'll turn around and we'll offer you for political reasons, to become a national power, we'll give you special status to sign our Constitution.

Hypocrisy is unparliamentary, Mr. Chairman, and I don't intend to use it, but I can tell you it comes awfully close to it. What is it, Mr. Chairman? He stands in the House and reprimands us and our Federal Government? Well, I tell you, he better start looking in the mirror, because I put a few examples on the record.

You know, we're dealing with crop insurance, Mr. Chairman, and I'll go to the crop insurance book because it's strange that I haven't heard a lot about it come from the Minister of Finance. He doesn't know a lot about the sugar industry, but there's a page 12 - and I would recommend to the Department of Agriculture, when they're looking at page 12, that we add a line. I won't make it in a formal motion, it will be a recommendation.

It says, "1985 causes of loss," and then they go down to the different crops, the major causes of loss by crop, crop percentage liability paid. Down about almost to the bottom, it says, "sugar beets, major causes of loss: wind, 72 percent . . . soil causes, such and such, and excess of moisture, such and such. Well, I would recommend, Mr. Chairman, that they put another column in there and put, "major cause of loss, NDP, not only stupidity but inability to move politically away from the path that they have them on of bashing the Federal Government." They should put another column and say, "100 percent loss due to incompetence of NDP Government."

I think that it would be a fair recommendation. In this book, in the Crop Insurance Report - and it's not just the crop loss. It's the job loss of all those people who work at the factories, the plant. It's the service industry that hauls the beets, that hauls the fuels, that sells the machinery. It's the 400 farmers and, I'll tell you, it's the million consumers in Manitoba who are going to be placed in a position as consumers at the whim of the international sugar market, because they don't have a backyard industry.

I plead with the Minister. Here we are. We're in an industry, we're competing in everything else that people want to become self-sufficient. Grain, everybody wants to be self-sufficient. Livestock, everybody wants to be self-sufficient. We have an industry. We are self-sufficient. Let us not throw it away.

The argument they're using is that it's the Federal Government's fault. They've made lots of reasoning about all the western-eastern fight. I ask the Minister. I have a press report out of the Calgary Herald of the middle of the mid-term break week - here it is - headlines in one of the major papers, "Sugar beet price

plan approved. 'An agreement with Alberta Government has been reached on a price stabilization for sugar beet farmers in the province,' the Federal Government announced yesterday.' Who's had more bitter fights and more political differences than recently with some of the concerns of Western Canada? Yet they came to an agreement. They didn't have a petty hangup like this Minister of Agriculture has, and said we are prepared to go to the extent of playing with the lives of women and children, men and an industry because of our political stance. That's the position he's taking. That's the intransigent position this Minister . . .

MR. C. BIRT: And they call that fairness.

MR. J. DOWNEY: And they call that fairness. My colleague from Fort Garry says they call that fairness.

Well, I tell you, Mr. Chairman, I don't call it fairness. I said earlier, and I hate to use that kind of word. There isn't a word that can describe how insensitive any government would be to gamble the way they're gambling, to gamble with people's lives.

Alberta has signed or is prepared to sign Thursday. My colleague from Virden has very capably pointed out the urgency of this. My colleagues have, each and every one of them, touched on why this has to happen now. You know, the health of any industry has to be based on sound government policy, sound economic business decisions and . . .

A MEMBER: And common sense.

MR. J. DOWNEY: Yes, my colleague says common sense. You know, it's terribly lacking in this government.

When the Minister of Finance gets up and gives the kind of speech that he just gave really points out why we're in the difficulty we are. An even worse speech was the one given by the Minister of Industry, Trade and Technology. Who else should be standing up to support the industry? I recommend and would suggest - I wouldn't recommend. I would suggest that he is the bugbear in this whole thing. I think he's the guy in Cabinet who is stopping this whole process.

But more obvious by his absence is the lack of the Premier to get involved, to stand and defend the sugar beet producers, workers and consumers. An industry and an issue of such magnitude, you should see the Premier rising to defend his government and his policy. Where is he? Why has he not risen to speak on this issue in this matter to defend his government? You know why, Mr. Chairman, because it's indefensible.

I would say, Mr. Chairman, that if this government lets this industry collapse as they've let the packinghouse industry collapse, as they are prepared to let the sugar beet industry collapse, then you won't see many other industries take a look at Manitoba for development, not many other industries, if any, take a look at Manitoba.

I want to conclude my remarks, Mr. Chairman, dealing with a couple of things. I said it in the Budget Speech, and I'll say it today. This Minister of Finance, partnered by the Member for St. James and supported by the Minister of Agriculture, in January of 1982, supported their Premier when they signed the document to develop the company, MTX, when the Premier of the province,

the Honourable Howard Pawley, Member for Selkirk, signed the Order-in-Council and became father of the MTX fiasco. That was in January, 1982.

And following through that, we have seen the horrendous horror stories that have come out of that. He was prepared to send \$28 million to Saudi Arabia for the interests of what people? I mean, who did he help when he did that? We've got \$28 million in Saudi Arabia. We have seen, Mr. Chairman, \$30 million go into Manfor. We have seen \$100 million go into Flyer Industry, and we've seen all these things. To protect jobs was the reason the Premier said it happened. Twenty-eight million dollars in Saudi Arabia and all these other fiascos, Mr. Chairman, not one dollar, not one thing helped the people of Manitoba.

Yet this Premier, this government, this Minister of Finance, on a wee bit of a hangup that they aren't able to get a little bit out of the Federal Government, a little more out of the Federal Government after they got \$534 million this year for the farm community, to say, look, we aren't going to budge on this. But I'll tell you, Mr. Chairman, that every speech that I give, every speech that my colleagues give across this province will be to tell the people of Manitoba, yes, they had \$28 million for Saudi Arabia. That sure helped the people of Manitoba. Yet, they didn't have \$315,000 to save a total industry, to help stabilize or maintain or assure the consumers of sugar that they are going to have a sugar price, to maintain jobs in the processing industry, to maintain the farm community in a way in which would give some long-term viability to this province.

Mr. Chairman, I say it is disgusting, and I think the Premier and this government should put the test to the people and call an election over such a major issue.

MR. CHAIRMAN: The hour is now 5:00 p.m. I am interrupting the proceedings of the Committee of Supply for the Private Members' Hour. The members of the committee will return at 8:00 p.m. this evening.

Call in the Speaker.

IN SESSION

PRIVATE MEMBERS' BUSINESS

PROPOSED RESOLUTIONS

RES. NO. 6 - DEREGULATION

MADAM SPEAKER: The Honourable Member for Kildonan.

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

I move, seconded by the Honourable Member for Burrows, that

WHEREAS regulations have been put in place to promote the public interest; and

WHEREAS standard setting and regulations to protect the interest of service providers and consumers is an obligatory role for the elected representatives of the people; and

WHEREAS regulations should be revised from time to time to ensure they best promote the public interest; and

WHEREAS indiscriminate airline deregulation has caused bankruptcies, job losses, a decline in air safety

and a loss of services to smaller centres in the United States and threatens to do the same in Canada; and

WHEREAS full and complete deregulation would result in undue carrier exploitation of small and captive communities and shippers; and

WHEREAS the Canadian Trucking Association and transport employees advise that full deregulation of the extra-provincial motor carrier industry will encourage the potential control of the Canadian trucking industry by U.S. carriers; and

WHEREAS nine of the fifteen national trucking companies are located in Manitoba; and

WHEREAS social, economic and market access considerations demand that Canada exercise complete sovereignty over transportation within its domain; and

WHEREAS the economic and employment climate would be enhanced by a policy of service for Canadians by Canadians; and

WHEREAS to date the Manitoba Government has cooperated fully with other provinces and the Federal Government in the development and implementation of agreed-upon reforms to update and streamline extra-provincial trucking regulation; and

WHEREAS more particularly the Manitoba Government has implemented a new motor carrier entry policy which gives greater weight to the interests of users, a list of "ease of entry" commodities, a streamlined, more responsive application process, updated rules for private carriage, and measures to improve enforcement; and

WHEREAS the Manitoba Government has pressed for national hours of service standards for drivers of commercial vehicles, which standards will now form part of The National Safety Code for Highway Transport, and has contributed substantially, together with the other provinces, to the development of The National Safety Code; and

WHEREAS Manitoba Government officials have called upon the Federal Government to negotiate a formal trade agreement with the United States respecting trade in trucking services which would safeguard the Canadian public interest, and have suggested provisions for such an agreement, without favourable response from the Federal Government; and

WHEREAS with the support of trucking, shipper and labour interests in the province, the Manitoba Government has consistently and strenuously expressed opposition to the complete elimination of economic regulation as proposed by the Federal Government; and

WHEREAS transportation employs over 30,000 Manitobans; and

WHEREAS the economic and social impact of deregulation on transportation employees and their families is of great concern to this Assembly; and

WHEREAS the Nielsen Task Force on Transportation stated that the Federal Government's "Freedom to Move" proposals for deregulation were acceptable for the "mature" parts of Canada, but were inadequate for the less populated and developing areas - which is typical of the Manitoba environment; and

WHEREAS deregulation will result in cost transferences from the Federal Government to other jurisdictions and transport users;

THEREFORE BE IT RESOLVED that this Assembly request the Federal Government to focus on the

responsible updating and streamlining of regulations in full consultation with and the prior agreement of the provinces and the public; and

BE IT FURTHER RESOLVED that no changes be implemented until such time as the full impacts on the various sectors are determined and appropriate safeguards put in place to ensure the provision of enhanced services and market access; and that the relative position of Canadian transport employees and Canadian carriers is improved; and that safety is not jeopardized; and

BE IT FURTHER RESOLVED that the Federal Government be requested to ensure that the new regulations eliminate the unjust service, fare and rate discrimination confronting small and captive shippers and communities; and

BE IT FURTHER RESOLVED that the Federal Government be requested to provide full compensation for costs transferred to, or imposed upon, other jurisdictions as a result of regulatory changes; and

BE IT FURTHER RESOLVED that the Clerk of this Assembly be directed to send a copy of this Resolution to the Federal Minister of Transport.

MOTION presented.

MADAM SPEAKER: The Honourable Member for Kildonan.

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

This is a resolution which is a little more detailed and a little more extensive and of more concern now than when I originally put it in at the last Session. One of the reasons for this is Bill C-18 and Bill C-19, the deregulation bills, have passed Second Reading in the Federal Parliament and are now being studied in committee.

This is of continuing concern. I find it very interesting, having listened to the debate on sugar beets and a \$90 million industry, and the concerns expressed by members of the Opposition, to hear the lack of concern and the deafening silence from the Opposition when it comes to deregulation which will affect hundreds of thousands of jobs in major industries all throughout this country and particularly in the west and in the smaller communities, mainly those rural communities that will be losing airline services, telephone services, rail services, trucking services, that are represented by rural members opposite.

The interesting factor of this silence is the fact that the Federal Government once again, as part of its tripartite methodology to de-Canadianize Canada, with deregulation, free trade and privatization being the Three Horsemen of the Apocalypse when it comes to the Federal Government, deregulation is a matter of continuing concern where the Federal Government seems to be interested, Madam Speaker, in pushing this ahead with or without the consent of the provinces and with or without the consent of the Canadian public, particularly the industries concerned.

We have experiences in the United States and, year by year, those experiences compound. Airline deregulation has been tried in the United States. What has happened? We have an increase in overall fares, Madam Speaker. We have a decrease in the air service,

and we have a distinct and very obvious loss of jobs. The Civil Aeronautics Board in the United States, Madam Speaker, figures show that 40,000 jobs were lost in the first four years of deregulation in the airline industry, and the airline workers who still have their jobs are under intense pressure to do more work for less pay. Also, there is an increased safety risk. Safety is one of the problems and one of the cost factors that is probably one that is looked at first in cutting corners in order to remain "competitive." Deregulation has significantly increased the safety problem in the U.S. airline industry. Profit is the goal and safety costs money.

Another factor in the airline industry is there has been an increase in bankruptcies. One of the things I note is an airline, when I left the U.S. in 1922, that I believe was nonexistent and I have never heard of, is now the largest carrier in the United States, and that's Texas Air. We have seen major airlines go down. We have seen a consolidation in the industry. What promised to be cheap fares has disappeared with this consolidation in the industry.

In Canada this would be even more disastrous. Small carriers would be able to start flying with old equipment. We have already seen a mouse swallowing a whale in the position, Madam Speaker, of Pacific Western Airlines taking over Canadian Pacific. We now have the Third Horseman in the Apocalypse being suggested by the Federal Government, that of privatization, where Air Canada is now being proposed to go on the privatization auction block.

Madam Speaker, what we may end up with in Canada, an even worse situation than the United States, is with one airline and no competition, but not government regulated, not government owned, but in the private sector. I think this is a frightening spectre for all Canadians, specifically for those who are served by small carrier, low-volume routes such as towns like Brandon, Dauphin, Thompson, etc. I think their service will probably disappear, Madam Speaker.

Trucking deregulation, what happens here is the same as what happens in the airline industry. There is a consolidation. There is cutting corners on safety. There is a reduction in service. In the United States, there are fewer small- and medium-sized regional carriers because they have neither the financial strength of the big carriers nor the route and rate flexibility of the small owner-operated outfits.

What this means is that 9 of the 15 major trucking companies in Manitoba which are based in Winnipeg will be in a competitive situation with enormous U.S. counterparts. In the U.S., the large well-financed trucking companies have been the clear winners. The industry is less competitive and more concentrated. This is a frightening prospect for Canada. It is particularly pointed out by some of the major companies in the trucking industry such as Federal Industries, such as Imperial Trucking, all based in Winnipeg.

The key issue - and we hear about the 90 jobs in the sugar beet industry which are of considerable concern to this side of the House - if the Federal Government stopped welching on its agreements, perhaps those jobs will continue to exist where they have a 25-year agreement. Unilaterally, as was pointed out by members opposite, the Federal Government has decided to welch on an agreement that it had for 25 years and try and dump its responsibilities onto the Province of Manitoba.

But what has happened in the U.S. is very simply the same thing - 250,000 to 300,000 union members have lost employment in recent years primarily due to deregulation in the United States. This is in the rail industry, airline industry, trucking industry, telephone industry.

Trucking deregulation in Canada would be even more disastrous. Because Canada has a few large cities - consider the geography of this country - which are most profitable for the trucking industry, there will be few reasons to continue with east-west transport, the historical base of our economic system a la CP Rail and laying the Golden Spike. Most of our transportation is east-west which is noneconomic. What would happen with the open border and free trade and with deregulation of the industry? The American carriers would be moving in north to south.

MR. J. ERNST: All you're worried about is the union . . .

MR. M. DOLIN: It's suggested all I'm worrying about is union by the Honourable Member for Charleswood.

I would suggest, of 250,000 to 300,000 union jobs lost in the States, many of those jobs, my friend should recognize, have been replaced by low-wage, non-union jobs with those people who are at the beck and call of the employer and whose jobs are constantly at risk. They do not have the protection of collective bargaining. They do not get the wages of the people who they replaced who were union workers.

I would suggest that perhaps my friends opposite should be a little more concerned about union and collective bargaining rather than trying to union bust and, rather than go along with their federal counterparts who would like to see Manitoba turned into another version of West Virginia or Alabama, we protect our working force in this province, to be concerned about them getting decent rates of pay for a day's work, for a day's pay and the right to collective bargaining, which some of my friends opposite very obviously do not consider a right of working people. Somehow they should be thankful to all employers for having a job at whatever rate of pay and whatever the responsibilities the employer refuses to accommodate in the way of safety on the job.

This is the problem with deregulation I am talking about that has been exemplified in the U.S. and will happen in Canada if Bill C-18 and Bill C-19 are pushed forward by the Federal Government.

In railways, the work force - and this is union and non-union - have been reduced by one-third since 1980, and it has been a loss of 150,000 jobs in the United States due to deregulation. There has also been a pressure for workers to accept cuts in pay and working conditions. Interestingly enough, while the negotiations and the proposals are going on in Parliament for deregulation of the rail industry, it is my understanding that the rail companies here in anticipation of that have already asked their workers - "asked" their workers I think is a very mild way of putting it - demanded that their workers take a 5 percent rollback in pay. I find this unconscionable, but I find that it's very predictive of what is going to happen under deregulation of free trade.

I think some of my friends opposite should be concerned about what happens in their constituencies, particularly the rural constituencies in this province, with line abandonment that would happen under free trade. Within the next 10 years, it is my understanding Canadian Pacific wants to abandon 5,000 of its 15,000 miles of track, and Canadian National wants to drop 10,000 of its 25,000 miles of track. To put it in perspective, between them, CN and CP want to abandon an amount of track equal to all of Canadian Pacific's present mileage. The justification offered is purely commercial, insufficient traffic, insufficient profits. Under the present regulatory regime, that is not considered to be sufficient reason to abandon a line.

The Canadian Transport Commission will not allow that as sufficient. The new National Transportation Agency will not have the authority to force railways to continue service on lines on which they can demonstrate a simple operating loss. Fifteen thousand miles is a lot of track and, I suggest to members opposite, most of that track goes to their constituencies.

Passage of Bill C-18, which is now in committee of Parliament, will make abandonment a virtual certainty, and railway jobs will be decreased accordingly. The change in the Crow rate was sold by our Liberal friends as a prelude to more jobs on our railway. I remember very clearly, and I'm sure my friends opposite do also as the members on this side, of 6,000 new jobs for Winnipeg with the abandonment and the huge expansion of the railroads in Winnipeg. I've seen nothing of the kind. We warned people at that time they would see nothing of the kind, that once again this was a scam and a sham, but that's what happened.

It was the first step in dismantling the railway system as we have known it, Madam Speaker. The second and final step and the spike into the heart of the railway system in Canada now joining the east and the west of this country will be deregulation. It will also, as I point out to members opposite, be a spike in the heart of rural communities who now have the possibility of going to the Canadian Transport Commission and opposing rail line abandonment. They will not have that opportunity once the new legislation is passed.

Another matter of interest to this area, Manitoba and the West, is on the matter of regional development. The new act in Parliament coming out of committee would permit the making of confidential contracts between railways and shippers. Some large shippers may benefit. Overall, it will have the effect of increasing the cost of shippers located away from major centres from a regional development perspective.

Further consolidation of industries in the major centres will occur. It will create ghost towns in the constituencies of many of the members opposite and of the rural members on this side of the House. The effect will be a self-reinforcing and self-perpetuating situation as each shutdown of non-essentially located business lightens rail traffic and makes more abandonments inevitable.

Madam Speaker, Southern Ontario will let the market decide. Southern Ontario will thrive, thanks to Mr. Mulroney and his cohorts. This part of the country will have to accept what they are referring to as "reality." I have no intention, nor do members on this side, to allow the Three Horsemen of the Apocalypse to attack our industries, to attack our workers while we stand

idly by. We will not allow deregulation, free trade and privatization to destroy the things that we have built in this country.

When I see Brian Mulroney stand next to Ronald Reagan and singing, "When Irish Eyes are Smiling," Madam Speaker, I think I, on this side of the House, and many of us realize there's more than a song here, is what that is. He is selling out our Canadian sovereignty for that song. That should not be allowed, Madam Speaker. We, on this side, will continue to protest this and, if members from the other side paid a little more attention, I think they would join with us.

Thank you very much, Madam Speaker.

MADAM SPEAKER: The Honourable Member for Ste. Rose.

MR. G. CUMMINGS: Thank you, Madam Speaker.

I was quite surprised to see this resolution put forward by our newly-minted Empire Loyalist on the opposite benches, who is now saying that he's worrying about the historical construction of the infrastructure in transportation and the longstanding reliance that this country has on the transportation industry, and that they are now the great defenders of the future of the transportation for this country and this province.

Perhaps it should be remembered when we get into a debate such as this how the transportation policy and the transportation industry in this country has evolved because, if we look back at the beginning of the putting together of this nation, of course the transportation policies were an instrument of expansion. They were an instrument of unity, a way in which we could put together this country and develop the various regions but, as our transportation industries grew and changed and the railways were regulated to the point where they were beginning to be a burden upon themselves, you might say, and there had to be a situation evolve whereby the railways were relieved of some of the mandatory transportation requirements they were given, because they could not efficiently continue.

This was evidenced I think, as a result of where we saw CN Rail put together, a huge amount of money put into it, a justification at that point, but now a situation where we are - or then, I should say, a situation developed where in the Thirties and in the Forties the railways began to suffer from the inefficiencies that were thrust upon them by the regulation and by the requirements that they were given.

Then, Madam Speaker, as this country, particularly in Western Canada where we relied so heavily on rails, began to expand and change in a very rapid manner after the war, it became a question of whether transportation policy should look at the transportation industry as business or tools of development. As I said, the railways were probably, at that time, evidently suffering from the restrictions and regulations that were on them. They were also suffering from the competition of other modes of transportation that were becoming the choice of the public and the choice of the people and the businesses of those days.

Moving into the Sixties is when the National Transportation Act was put into place. The act's objective was to put together a transportation industry

in this country that was efficient, one that would adequately serve the regions and serve the people and would operate in an economical manner. The Canadian Transportation Commission was created and was the regulatory agency for all the different modes of transportation that were operating in our country at that time.

Bill C-33 was proposed, but not enacted in the early 1970's, whereby transportation was again given a review and was being looked at as a tool whereby we could develop and expand various parts of our country. And, of course, Western Canada and Manitoba in particular has regional economic considerations that have to be looked at, and certainly at that time was an opportune time to do that.

But, as we have seen in recent years, in fact early in connection with our railways, the problem has not been competition, as much as it has been a problem of whether or not the railways have been maintaining the capacity that was needed to serve the market. The grain market, in particular, is the one area where there were concerns raised, whether or not we had the capacity to move the product that we were producing.

The Western Grain Transportation Act then became an instrument of policy that was used, and has been implemented, and which we are now operating under. We also saw during that time the railways were regulated into a situation where a great many of those rail lines that the Empire Loyalist referred to a few minutes ago, were regulated to be maintained until the year 2000.

I think that no one on this side would question the issue regarding the regulation of those lines to the year 2000, but I don't think it's too soon for us to be considering what is happening in relationship to those rail lines. They are in a deplorable state, and there is no mode right now to force the maintenance of those lines.

A MEMBER: Abandon them.

MR. G. CUMMINGS: The member says "abandon them." Well, obviously that is the conclusion that the railways will be reaching, but alternative means of supporting those communities and providing transportation to those communities also has to be considered. That's why I get very concerned when deregulation is thrown out as an issue that is going to be a forerunner of the dissolving of the transportation industry in this country. I think that there has to be some sanity and some honesty brought into the discussion of reregulation because that's really what it is. It's not a deregulation we're talking about, Madam Speaker, it's more a case of reregulation.

And there are concerns - I will give you one instance - where I think that we have to be very seriously concerned about what the real figures are. We see a rail line, one that has been guaranteed to the year 2000, where the cost of operating that rail line probably runs close to between \$25 and \$30 per tonne of transportation right now whereas, if that were upgraded, it would cost \$65-a-tonne to transport that same amount of grain out of that line, if that cost were to be amortized back.

Now, that is not only an example of the situation that transportation has found itself in in the rail industry,

but it's an example of why this has to be a very serious, a very knowledgeable discussion and why we cannot dismiss, out of hand, all the options that are available to the people of Manitoba and the people of Canada.

The Member for Turtle Mountain will be discussing in a lot more detail his concerns and the aspect of the reregulation of the trucking industry, but I would like to deal in more general terms with where I see the possibilities of deregulation and reregulation can be negotiated in such a way that Manitobans will benefit, that the workers and the trucking companies can benefit, and I believe that we can see some positive opportunities come out of what is a situation that has to be faced as a reality. We cannot have a constipated approach to what is the reality in the changing world of transportation that is out there today.

There are some concerns, Madam Speaker, that have to be addressed and have to be aired. There is a danger in the minds of many people, and obviously in the member who introduced this resolution, that there may be some safety standards compromised. There is also a danger seen by those who are expressing honest concern about this issue, who say that rate competitions may destroy some carriers.

There are also concerns that regulation carries the threat of increased competition. I think it obviously carries the threat of increased competition, but I think there has to be true and honest competition in this industry, as in many other industries, where we have seen a constipation of new ideas and new initiatives.

As competition intensifies among trucking firms and the free-market forces come into play, I think there are a great many benefits that can evolve from a healthy industry that is competing in a healthy environment. And I'll give you a very simple example, Madam Speaker. If a commodity, a certain - and I'll give you an example - bagged seed which is not a large item, it's not one that is a major earner of funds for any particular mode of transportation in this province but, if it were to be taken from my farm to the southwest corner of Manitoba and if it were to go on a PSV, as I understand the system today, it would end up being trucked into Winnipeg and then back onto a truck back out to the destination in southwestern Manitoba.

A MEMBER: Not very efficient.

MR. G. CUMMINGS: And I think that just pointing out that that is probably one of the options, the more expensive options, that the producer has or the person who is handling or selling that product would have at his disposal. I think that in itself raises questions about whether or not more competition, and the ability for a private operator to move that grain directly or that product - and I used bagged grain only as an example, there are many other examples where it could be moved more efficiently directly to the purchaser.

Madam Speaker, it seems to me that we've got to move towards reregulation of this industry with our eyes open. We should neither be blind to the problems that changes in regulation can bring about, but we certainly shouldn't be blind to the possibilities and the improvements and the real opportunities that come forward from changes in the regulatory operations.

These changes have to be guided by common sense, but they also, I think, can provide opportunities for jobs

and for improved competitiveness for the shippers in this province that we should not ignore. If you look at the railway lines, and the member who introduced this resolution talked about confidential contracts, talked about variable freight rates, or at least the implication that goes with them.

It seems to me that confidential contracts, when one realizes what they truly are, which means that in major transactions where the railways can keep their rates confidential, and when you have two major companies competing with the only competition for rail business, that confidential contracts is the only way to create competition between them because, when they know what each other's rates are, obviously rate fixing becomes a great deal easier. It also means that railways and trucks will compete effectively and that there will be inter-modal competition.

Madam Speaker, I mentioned about this being reregulation, and I see I'm running out of time. There will still be regulation of the transportation industry, we must not sacrifice safety, we will not, on this side, as I am sure the member was implying, we will not be willing to sacrifice safety for efficiency. But there are safeguards and there are controlling agencies that would be in place. There would be agencies that might even be more accessible to appeal to interchange with the truckers and the various intermodal transportation systems in the province, more easy for them to appeal, because they will be more actively involved.

Disputes will still go to an agency that will be prepared to hear disputes. A situation is also very easily set up, Madam Speaker, and I will close by saying that where the concern is regarding competition from the United States, that it probably emphasizes more than any other problem that has been brought to this Legislature that the future of the negotiations of freer trade and freer access both ways across our borders has to proceed so that we can have agreements, so we can have trucking agreements. There is no reason that the truckers who go from Canada south of the line can expect to compete freely down there if we do not provide some reciprocal agreements with the Americans. We have to have agreements, so that the companies on both sides can compete on a much more level road, if you will, in this case.

Thank you, Madam Speaker.

MADAM SPEAKER: The Honourable Minister of Labour.

HON. A. MACKLING: Thank you, Madam Speaker.

It's a pleasure to have a brief opportunity to put on the record my concerns about the issues so eloquently described not only in the resolution itself, but as more particularly outlined by my colleague from Kildonan, who in the short time that he took really did outline in I think the best way possible the nature of our concerns in respect to this area.

Madam Speaker, I note with some degree of pleasure the fact that the Honourable Member for Gladstone did indicate his support for re-regulation and presumably, he is therefore opposed to deregulation.-(Interjection)- Ste. Rose, I'm sorry, the Honourable Member for Ste. Rose. He did indicate a concern about there being reciprocity between trucking regulation vis-

a-vis the United States and Canada, and I want the honourable member to know that historically Manitoba and Manitoba Governments and Manitoba Boards of Transport have facilitated and encouraged reciprocity on a state-by-state basis in respect to trucking between states in the United States and Manitoba.

But the issues that were involved so carefully and so well put out, well set out in the resolution, Madam Speaker, go much further than individual problematic areas of regulation and transportation. There is, as the Honourable Member for Kildonan has pointed out, at work in North America a new psychology, a psychology that says that regulation is to be eliminated. We should be getting out of regulation, that regulation is offensive to society, where society should be controlled in a free-flowing competitive marketplace. So there is this philosophic attack on the whole concept of regulation in society, and coupled with that of course is the concern for privatization, that is, the state shouldn't be involved in industry, in the economy, in any way and that flies in the face of successes elsewhere in the world, but there is this thrust in North America for privatization and deregulation.-(Interjection)- And, of course, Madam Speaker, I'll come to free trade and the effects of that on Manitoba.

But, Madam Speaker, if you look at it, the fascination with deregulation carries with it the whole concept, or attack on the whole concept, that in certain specific areas like transportation, we want to be able to take advantage of the utility concept; that is, there is only so much business available and it is only possible for individuals or corporations to make the kind of investments that are necessary to provide the services demanded, if there is not unlimited competition, the utility-type concept.

That's why, way back in the early years of the development of road transportation in this province, the legislators of that day considered that it was necessary to establish the utility concept in respect to road transportation, just like earlier legislators, parliamentarians, hadn't considered an . . . that was necessary that the utility concept be emboldened and provided in rail transportation legislation, another major carrier legislation. So that it wasn't a dog's breakfast, it wasn't an open market in respect to transportation.

There were requirements put on the person seeking a licence, that they had to fulfill - he or she had to fulfill or the corporation had to fulfill - in order to maintain the licence that was provided to them, the service concept; so that those people who wanted to get into transportation just didn't serve individual customers that they wanted and then they wouldn't care about the rest, so that there was a responsibility to provide service.

When you look at the Manitoba scene, orders of the Motor Transport Board in Manitoba, and as recognized by governments today and yesterday, have seen a continuance in being of regulation to ensure that communities of every size in Manitoba have available to them, within reason, a transportation system for goods and services and for people.

There are many times, Madam Speaker, when individual carriers would welcome an opportunity not to have to serve a particular location because of the cost that it involved in servicing that location for the kind of remuneration they received. But in order to

ensure that the service concept was maintained in society, those carriers were regulated, and what is being suggested throughout North America by the Ronald Reagans of this world is that we don't need regulation, that where the market requires it there will be people come forward to provide service.

Well, I can ask honourable members opposite to reflect on the nature of our society, Canada, with a populated area close to the 49th Parallel, and then vast distances north of that, where there is very light population density, and reflect on the concerns of society wanting to ensure - this broader society - that there is reasonable transportation for goods and services of people available to them. If the market had its way and there was no regulation and that's what's involved, I again repeat, in deregulation, the absence of regulation, then only those markets that had the most attraction would be serviced by carriers. That would destroy the whole utility concept that was recognized as so valid back in the Thirties and Forties in this province and is still recognized as valid today.

Madam Speaker, legislators of the past, Parliaments of the past said it is necessary to have a transportation system to assure that there is reasonable transportation services available to all in this country at a reasonable cost. That is why Parliaments and legislators in the past developed regulation to provide for that utility concept and to provide for reasonableness of rate structuring as well. Because as honourable members will recognize, if a large carrier wants to destroy his competition, he does what some of the supermarkets may do in the grocery business. They just discount prices for a period of time, drive the opposition or the competition out of business and then you'll see what happens to the prices.

Couple those concerns about deregulation and the elimination of a regulated utility concept for transportation, and go to the market concept, the "wide open door, anybody can get in the business, and the market will look after it" concept. That's the whole idea, the philosophical idea of free trade. Break down the barriers; let everything flow. What happens then? It's supposedly the survival of the fittest, but who are the fittest? The fittest are those who have the largest bankroll, the largest amount of money in which they can involve themselves in price cutting, in subsidization of traffic until they get dominance. Where is that great power base, that financial base going to centralize?

We've seen, Madam Speaker, that in other areas it is the United States where the centralization of power takes place, and I can name innumerable incidents in our economy where the Canadian or the Manitoba perspective is a very, very limited portion. I know, for example, in the brewery industry, it's forecast that one shift on one of the breweries in the mid-United States would look after all the market demands in Manitoba.

So you look at the concentrations of economic power and financial power, and if we go to a marketplace society where it's wide-open competition and the market will determine, then the logical consequent effect on the transportation industries in Manitoba is that they will be swallowed up very quickly by the huge transportation complex that we see in the United States.

Madam Speaker, honourable members know the history of Canada and the need in Canada recognized early for the vital transportation links to solidify this country as a nation, and what is being contemplated

now by the strategists in the Conservative Party in Ottawa and the strategists for Mr. Reagan in Washington is really an erosion of those vital east-west links in Canada, because when we go to a greater measure of free trade, when we say that there's no longer - (Interjection)- Well, the Honourable Member for Fort Garry talks about conspiracy. Just add the factors up together and then draw your own conclusions.

Early in the life of this Conservative Parliament in Ottawa, one of the first things they did was take away the Foreign Investment Review Agency, so everything is available for sale in Canada, including transportation companies, including any other fundamental resource of Canadian nationhood. Madam Speaker, all of those things are available, and a Federal Government in Ottawa today is making noises about putting Air Canada on the auction block and CN Rail would be another.

Where would the money come from to buy those large corporations? The money would obviously come from our sister nation to the south, the United States, and then where would we have our nationhood, Madam Speaker? So obviously, in order to develop the kind of level plane, in order that there can be a merging of the economies of the United States and Canada, and that is what is contemplated in the long run, we have to get rid therefore of obstacles in the way of this new concept, this continentalism that will take place between Canada and the United States, and regulations are in the road and they must go. That's why, in Ottawa, we have the thrust to deregulate and to privatize and develop a freer trade area.

Madam Speaker, the resolution eloquently points out the hazards that occur to our society in respect to deregulation. Members opposite should reflect on the fact that we have in office in Ottawa today a government that is saying, the railways must be operated as a business. They should be having variable freight rates, and they're giving the green light to that. That will mean a lot of the smaller communities on smaller branch lines, they will go out of existence. And then the Federal Government is saying, there must be deregulation, and that involves the trucking industry. That means that the large trucking interests of the United States will be able to serve the truck load lots that are necessary to some of our communities and the general freight carrier will have to carry what's left. They should know what that means in the economies of individual communities in Manitoba. It will be destructive of the economic base of those communities.

You eliminate the rail service, you weaken the trucking services available and then what are the economic opportunities available in the bulk of Manitoba? The economic opportunities will be reserved to Winnipeg, the major centre, perhaps Brandon, but little else, Madam Speaker. The basic infrastructure that is ours in rail and road networks and vital regulated transportation are essential if we're going to maintain the kind of social fabric that we have in Manitoba today. Thus it is, Madam Speaker, that we should see, and I hope we will see members opposite joining us and saying, yes, it is timely that governments look at regulation, look at the passage of time and see where, in instances, regulation becomes outmoded and must be replaced with new revised regulation.

But the philosophic attack of the Federal Government, sponsored and encouraged by a government in the

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United States that is myopic in its concern about any government or state involvement in regulation, that must be set aside, and members opposite must join us in saying, look, we want to look at regulation from a constructive, positive aspect. Regulation is necessary and vital to maintain transportation services and other basic services and we will support - and I'm saying to the members opposite - I trust you will support re-regulation, re-definition of regulation, but oppose the deregulation thrust of your cousins and friends in Ottawa.

MADAM SPEAKER: The Honourable Member for Turtle Mountain.

MR. D. ROCAN: Thank you, Madam Speaker.
Is it the will of the House to call it six o'clock?

MADAM SPEAKER: Is it the will of the House to call it six o'clock?

The hour being 6:00 p.m., I am leaving the Chair with the understanding that the House will reconvene in Committee of Supply at 8:00 p.m.