

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10:00 o'clock, Friday, May 11, 1973

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have two Grade 8 students from Minnedosa, Miss Brenda Addison and Miss Lois Johnson. They are seated up in my gallery. Their visit to the Legislature this morning was their award for their project at the Science Fair of their school. These students are from the constituency of the Honourable Member for Minnedosa.

We also have 28 students of Senior standing of the Woodlake School of Minnesota. These students are under the direction of Mr. Davis.

And we have 20 students of Senior standing of the Surrey School of North Dakota. These students are under the direction of Mr. McDaniel.

And also 81 students of Senior standing of the North Branch High School from Minnesota. These students are under the direction of Mr. Walker. They are our guests for today.

On behalf of all the honourable members I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Tourism and Recreation.

TABLING OF REPORTS

HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs) (St. Boniface): Mr. Speaker, I'd like to lay on the table the Annual Report of the Legislative Library and Archives for 1972.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Oral Questions. The Honourable Member for Morris.

POINT OF PRIVILEGE - MR. ASPER

MR. I. H. (Izzy) ASPER (Leader of the Liberal Party) (Wolseley): On a point of privilege, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, last evening I was in the House until 9:30 and I'm informed that between the hour of 9:30 and 10:00 o'clock the Honourable Minister of Finance made a statement in this House, did not express an opinion but made a statement of fact to the effect that I as Leader of the Liberal Party had engaged in, I believe the word used was "making political deals with the Leader of the Opposition."

Mr. Speaker, in the past few weeks, few months, we have been accustomed to the kind of slurring, smearing and allegations of back room and improprieties in the dealings in the political spectrum in Manitoba. We were promised a few weeks ago a very dirty campaign by the Minister of Agriculture. That appears to be borne out by the kind of thing that happened with the Honourable Mr. Barrow. It now appears to have slipped into the mind and the mouth of the Minister of Finance and, Mr. Speaker, that is a highly, highly insulting, highly improper, highly erroneous comment for the Minister of Finance to have made, and when I demand the apology and retraction to which I am entitled and I am sure this House is entitled, I ask that the man involved have the good grace not to couch such an apology in the usual kind of veiled "well, if he says so." Because, Mr. Speaker, we are used to that kind of jury room tactic, where you say it and then you are forced to withdraw it but you said it. Mr. Speaker, I ask the man to be man enough, to have the integrity enough to make a full and complete unequivocal withdrawal and apology.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I want to interpret in the presence of the Leader of the Liberal Party his statement which would appear to me to say that making arrangements, deals, political deals is reprehensible and to be rejected, and on that basis if he feels that my accusation, which wasn't an accusation but a statement of belief and he now says that it's not true, when I said that they we're making deals I do it on the basis that he feels that making deals of a political nature is--I can finish, I believe, Mr. Speaker. Am I entitled to finish my statement? On the basis that the Leader of

PRIVILEGE

(MR. CHERNIACK cont'd) the Liberal Party seems to make it clear in his mind that making deals of a political nature, dividing up the province, is reprehensible and wrong and he rejects any suggestion that he would be involved in that, then of course I do accept his statement and I do withdraw the remark which he says I was wrong in saying, and that is that he and the Leader of the Opposition were making deals. If he was not involved in making deals, then I withdraw the statement and if he feels that it was a reprehensible thing to do to make deals dividing up the province into constituencies, then I will have to accept the fact that he rejects what is being done in this province.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: On a point of privilege. The Minister of Finance has now added a different dimension to the entire discussion and has compounded the - I'm trying to find the most restrained word I can use, Mr. Speaker. One might choose the extreme word of the "lie" that was placed before this House; one might use the word "insult", but it is a word of degradation to his reputation and to his performance in political life in Manitoba. Nothing was referred to, talked about normal political arrangements as to how one might vote, how one might vote on an issue or how one might have a strategy as a member of the Opposition on a particular vote. The implication of what the Minister of Finance has responded to is not what he said in the House last night, as the witnesses have informed me. He said in the House last night that the Leader of the Liberal Party and the Leader of the Conservative Party had conducted negotiations or had made deals which were not above board. That was the clear implication. Mr. Speaker, that is the only allegation of fact that I demand a retraction of. If the Minister of Mines will allow the Minister of Finance to answer, what is required of the Minister of Finance is to retract and apologize for the kind of smear that he tried to implant in the public's mind by making that kind of a statement in this House. You have smeared the openness, you have smeared the openness, you have insulted several thousand Manitoba . . .

MR. SPEAKER: Order, please. I would suggest that the matter of privilege that was raised has had enough ventilation, enough airing. I have to, by the orders and rules of this House, accept each gentleman's word in what they are expressing as an opinion. I think that we have arrived at an impasse. There have been no real transgressions of the matters of privilege in respect to the procedures of this House that I am aware of. There is a tremendous difference of opinion which is something that the Chair cannot resolve and I think we should leave it at that particular point. We are in the oral question period . . .

A MEMBER: Mr. Speaker, are you ruling that I cannot . . .

MR. SPEAKER: I am not ruling anything. I'm indicating that I think we've had enough airing of the matter and that we have arrived at an expression or a difference of opinion, but that there have been no rules broken that I am aware of. The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, if I may, there is one statement that the honourable member attributed to me which is not correct, or one interpretation. Of course he wasn't here, and I just have to tell him that I did not intend in any way to suggest that there was anything underhand in the manner in which I believe the two leaders were making deals. Now he says he was not involved in making deals; I accept his statement. I have naught to apologize for the fact that I said that I believe that they were dealing, because if they weren't dealing then obviously members of their parties officially have been dealing, and on that basis I didn't even say that I thought that that was reprehensible. It was the Member for Portage la Prairie who agreed with my inquiry as to whether or not this was a reprehensible thing to do. I want to make it clear, Mr. Speaker, that to the extent that the Leader of the Liberal Party, who just declared war from his seat, that to the extent that he feels that my suggestion that deal-making is something that involves a reprehensible action, I don't feel it is. If he believes that I accused him of doing something underhand, I didn't mean it that way and I do withdraw the inference which they feel was involved in what I said. What I said was that deals are being made. Apparently the error I made, from what is said in the House, is that the two leaders were involved in making the deals. If they were not, then of course I withdraw that statement, but the fact is deals are being made. I never said it was a smear, I never said that there was something reprehensible about it. It was the Member for Portage la Prairie who said that he thought it was reprehensible. The Leader of the Liberal Party today seemed to suggest that there was something wrong about it. I didn't. So I'm prepared to leave it at that.

MR. SPEAKER: May we move on? The Honourable Member for Morris. Oral questions.

MATTER OF PRIVILEGE - MR. JORGENSON

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I too would like to raise a question of privilege but it's somewhat along a different line. Some weeks ago I had placed two questions on the Order Paper and, Sir, I've done this at your request. On many occasions you suggest that questions that be asked of the House be placed on the Order Paper so that -- or submit Orders for Return; an Order for Return is not required if it only requires an answer from one department. It's only when an Order for Return requires a complicated answer that involves two or more departments that an Order for Return is necessary. But I placed questions to the Ministry on two occasions in the hope that I would be getting answers in a reasonable time. That's been about three weeks ago, Sir, and up to this time I still do not have answers to either of those questions. They're not that difficult. I didn't expect that the Ministers would have the answer at their fingertips and the reason I placed them on the Order Paper was to get an answer, a complete answer in as short a time as possible. For some reason or other the government sees fit to deny me this information and I would like to raise this question at this time because I feel if the Order Paper is to be used fully, if it is to be the kind of a procedure that will eliminate much of the time that is taken up during the question period, then by all means we can use the Order Paper as a means of getting information without taking up time of the House. But it appears to me, Sir, that because of the refusal of the government to answer those questions, maybe we'll just have to continue stretching out the question period in order to wheedle information out of this government.

MR. SPEAKER: Does the Honourable House Leader wish to reply to the matter of privilege?

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, on the point of privilege, I told the honourable member that the question had been referred to this department and I expected answers, and I also told him last week that hopefully the reading of my response to him would evoke an answer. There has been no refusal on the part of the government to give the answer. I told the honourable member that he would get his answer and I regret that it isn't here yet but I think that he is making a mountain out of a molehill. He'll get the answer.

MR. SPEAKER: While we're on that matter of privilege, let me indicate that our procedures do not call for an answer. One cannot raise a matter of privilege. I think the honourable member is entitled to express his opinion but it is not a matter of privilege as far as the House is concerned. The Honourable Member for Morris.

MR. JORGENSON: I readily admit that on questions on Orders of the Day, whether the Ministers reply or not is their prerogative. What kind of an answer they give is their prerogative. But when a question is placed on the Order Paper that becomes a different matter. Then I believe an answer should be given, and if the answer is no, then it should be left, but certainly to delay the replying to a question on the Order Paper denies the members of this House the right to get information that they feel they should rightfully have.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Well, Mr. Speaker, since the Honourable the Member for Morris raises the point, I think he will on reflection agree that there is a further distinction to be drawn, and that is that if it is an Order for Return which is accepted by the House, it then becomes an Order of the House and an answer must be given. If it is a written question then the same rule applies as would apply during the oral question period. That's the distinction, my honourable friend the Member for Morris is well aware of it, and of course it is not uncommon to press from time to time for a more speedy and expeditious reply to questions. And the Honourable Member for Morris will agree, too, that in some jurisdictions they have on certain questions taken as many as six, seven months. We would not like to follow that bad example.

ORAL QUESTION PERIOD

MR. SPEAKER: Oral questions. The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I have a question for the Minister of Health. I wonder if he could indicate whether the Minister or his department received any communications or requests from California to purchase aborted babies in Manitoba for medical experimentation in California?

MR. SPEAKER: The Honourable Minister of Health.

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HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield): No, Mr. Speaker, I personally haven't and I'm not aware of any member of my staff that have either.

MR. BOROWSKI: Is the department presently considering or is the government considering selling such fetuses to the U.S. for cancer and other research?

MR. TOUPIN: Well, first of all, Mr. Speaker, these fetuses do not belong to the Department of Health and we are not contemplating such an action.

MR. BOROWSKI: I wonder if the Minister could indicate how these fetuses are disposed of after the abortion in our hospitals?

MR. TOUPIN: That, Mr. Speaker, is a matter of the policy of the given hospital.

MR. BOROWSKI: I have a question for the Minister of Colleges and Universities. Perhaps the First Minister could take it as notice. Have there been any requests from the medical people in our universities, requests for aborted fetuses to be used for cancer and other research in Manitoba universities?

MR. SPEAKER: The Honourable Minister.

HON. SAUL A. MILLER (Minister of Colleges and Universities) (Seven Oaks): I'm not aware of such a request.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Thank you, Mr. Speaker. My question is to the Minister of Northern Affairs but in his absence I'll direct it to the Minister of Industry and Commerce. Does the government have any plan to lower the freight rates to northern Manitoba as an incentive to the movement of industrial opportunities to the north, as the Province of Ontario announced yesterday - by 18 percent, I believe?

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

HON. LEONARD EVANS (Minister of Industry and Commerce) (Brandon East): Well, Mr. Speaker, there's one great difference. The Province of Ontario happens to own a railway in northern Ontario, and the railway that services northern Manitoba and which is the carrier that provides most of the freighting into the north country, happens to be owned by the Canadian National Railways. And I can assure the honourable member that we have made many a representation to the Federal Government, to the Minister, to the Canadian Transport Commission, with regard to the general situation and with regard to some very specific instances. In some cases we've been successful in lowering rates; in other cases it's been a matter of frustration which I can tell you, Mr. Speaker, is the usual feeling one gets when we deal with the federal authorities.

MR. ASPER: To the same Minister, Mr. Speaker, and it relates to his answer in which he indicates that the Province of Manitoba does not have a railway with which it can reduce rates. Is the Minister contemplating or having in mind the possibility of a freight equalization fund which would in effect reduce freight rates to the north as an incentive to move jobs and industry into the north?

MR. EVANS: Well, Mr. Speaker, recently a study was completed, initiated by the Nor-Man Regional Development Corporation, on the question of freight rates under the chairmanship of Professor Sam Trachtenberg. I would refer my honourable member to that particular study because the study itself says that the major problem of high transportation costs in the north is not necessarily the matter of rates per se but rather the distance involved, the volumes of shipments and the imbalance of these shipments. So, as such, the committee came to that particular conclusion. However, having said that, we have made in the past and we are quite prepared to make representation to the Federal Government for some type of subsidy to try to bring down the cost of shipments in northern Manitoba.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Supplementary to the Minister, Mr. Speaker. Does the Government of Manitoba have any provincial incentive plan as opposed to a federal plan, a provincial incentive plan for attracting jobs and industry, not in the mining sector, to northern communities such as Thompson, Flin Flon and so on?

MR. EVANS: Well, Mr. Speaker, when you talk about incentive plans you can get into a big, big area of discussion on industrial development, but I presume the honourable member is referring strictly to railway transportation costs, and the incentive . . . Well, as we've indicated on many occasions, we have many programs, Mr. Speaker, involving people, involving industries, which I believe are effective and which are effective in raising the standard of living of the people in northern Manitoba.

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MR. SPEAKER: The Honourable Member for Rupertsland. The Honourable Member for Wolseley.

MR. ASPER: Can the Minister indicate a single industry not related to the mining industry, which has been moved to northern Manitoba through any plan, whether by the Provincial Government or the Federal Government?

MR. EVANS: Well, Mr. Speaker, if he's talking about industry, the word "industry" includes manufacturing, it includes mining, it includes the construction industry, it includes hydro electric power, construction and hydro electric power developments. It includes the forestry industry and so on. As the honourable member knows, we inherited a mess at The Pas and I think under receiver-manager, I think great progress has been made. There are nearly a thousand people employed there today and at wages. There have been other developments, Sir. The development in manufacturing has not been that great but there's some very specific economic reasons for that to be, but having said that, there are significant developments in resource industries.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. JEAN ALLARD (Rupertsland): Well, Mr. Speaker, to the same Minister on the same subject. Does the government have any plans to use the instrumentality of the state to bring down costs in the north - costs that are related to transportation, costs in flying, costs in hauling not necessarily materials for jobs but for services, the goods themselves, and I mean something tangible and solid much beyond the level of winter roads and things of that nature but something in . . .

MR. SPEAKER: Order, please. The honourable member now is debating the issue. He placed his question.

MR. ALLARD: Do they have plans to bring about parity of prices in the north so that northern residents can get things at reasonable prices?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, as the Honourable the Member for Rupertsland may be aware, the Crown in recent years has made expenditures for capital improvements of transportation service in northern Manitoba. I believe in a very approximate sense we have been prepared to expand something in the order of a half a million dollars for the totality of winter road access in northern Manitoba which was not always done by the province in previous years. In addition to that, Sir, we have made provision in the past couple of years for something approaching two million dollars in the construction and gravelling of all-weather landing strips, which will be then capable of taking two-engined or multi-engine aircraft on rubber, on wheels, and all of this should have had some beneficial effect in terms of freight rates. It does not, I must say to my honourable friend in all candor, it does not seem to have had nearly as much effect as we had reason to believe and as an analysis would have led us to believe, and accordingly the government is giving consideration to the establishment of a Royal Commission or Commission of Inquiry to ascertain just why it is that despite the input of infrastructure freight rates by way of air, for example, have not come down to any significant degree.

MR. ALLARD: A supplementary, Mr. Speaker. Does the government have any plans to directly subsidize transportation costs in the north as is done in most countries where there is developing areas and isolated areas? Direct transportation like Russia or any other places like that.

MR. SCHREYER: Well, Mr. Speaker, from time to time there is value in looking at what is done by other countries of the world in dealing with a particular set of problems. Insofar as transportation to the north is concerned, I think that we are aware that there are certain policies followed by the Soviet Union but, Sir, I say very candidly that we do not find that the Russian policies are particularly germane or helpful, and I don't believe we have any intention of following them in any way whatsoever. And I can say further to my honourable friend that the expenditure of \$2 million-plus on all-weather air landing strip and air access should have had a better effect on air freight rates, and we are not, we have no intention of adding to this additional public expenditure direct subsidies to air carriers. We may proceed with a Commission of Inquiry first before we contemplate that.

MR. ALLARD: In line with the policy of compensation for an asset for Hydro, would the government consider spending in the order of \$25 to \$30 million a year to bring about parity of the living condition in the north beyond what it is doing?

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MR. SCHREYER: Well, Mr. Speaker, of course that, when one uses figures of that magnitude one must do so with precision. I simply point out to my honourable friend that in the past four years the amount of spending by the Crown in northern Manitoba has been increased from something in the order of \$20 million to something in the order of \$60 million, although I readily admit that much of that does not relate directly to the cost of living in the northern small communities. However, the costs that we have incurred with respect to winter roads, which is substantially greater than in years gone by, and on air strips, air landing strips, which is substantially, very substantially greater than in years gone by, if that is still not quite enough and I believe that it is not, we must do more, but the direct subsidy of air carriers is not in the cards, Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should further like to direct the attention of the honourable members to the gallery where we have 80 students of Grade 11 standing of the Steinbach Collegiate. These students are under the direction of Mr. Art Reimer, Bert Suchs and Brian Lewis. This school is located in the constituency of the Honourable Member for La Verendrye. On behalf of all the honourable members I welcome you here today.

ORAL QUESTIONS (Cont'd)

The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, yesterday morning we were informed by the Economic Development Committee meeting by the Chairman of MDC that CFI was operating at a deficit . . .

MR. SPEAKER: Question, please.

MR. FROESE: Yes. I would like to direct a question to the Minister concerned. Just what was the deficit for the past year and what is the projected deficit for the current year?

MR. SPEAKER: The Honourable Minister of Mines and Resources.

MR. GREEN: Mr. Speaker, I believe that the honourable member is not properly interpreting the Chairman. The last remarks that the Chairman made, as I recall, was that we are operating ahead of our cash flow for the last two months and ahead of our projections. I will be tabling, I hope very soon, the last report that was filed with the court by the Administrator. The projections I am not sure that I can table.

MR. FROESE: Supplementary. Could the Minister not give us the figure as to what the deficit was for the past year?

MR. GREEN: I indicated that I would be tabling that report. I believe that it is a public document but I will be tabling the report.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Agriculture as it relates to the very important and serious problem of railway abandonment in the province. Has the Minister's department made any briefs or submissions to the Transport Commission re the matter of railway abandonment in this province in the past year?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, as the honourable member knows, we have another department in charge of the railways and transportation problems. Also, he should know and I've stated this on a number of occasions, that the whole question of transportation is being studied by inter-provincial authorities with the Government of Canada, so that any comment at this point is premature.

MR. EINARSON: Yes, Mr. Speaker. My second question, which is relative, I think, to the Minister's department in that it concerns movement of grain: So is the Minister indicating that he has not made any submissions to the Transport Commission insofar as the farmers are concerned in this province?

MR. USKIW: Mr. Speaker, I would suggest to the Member for Rock Lake that he should do his politicking at the right time. I indicated on many occasions in this House that there are ongoing studies and research activities in co-operation with the other two provinces west of us and the Government of Canada on the whole matter.

MR. SPEAKER: The Honourable Member for Arthur.

ORAL QUESTIONS

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I have a question to the Minister of Agriculture in relation to the question that has just been asked by the Member for Rock Lake. Is the member suggesting that the movement of grain, in the interest of the farmers of the Province of Manitoba brought up in this House, is politicking?

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Yes, Mr. Speaker, when it's repeatedly asked and answers given and then there's further repetition of the same question.

MR. WATT: Mr. Speaker, I address a question to the Honourable the Minister of Highways, who I believe is in charge of the Telephone System in the Province of Manitoba. I wonder if the Minister could indicate if the Manitoba Telephone Board has received submissions from the telephone design engineering people within the telephone system, submissions including recommendations to correct some of the ridiculous situations that exist throughout the province, and I particularly refer to that of Deloraine. --(Interjection)--

MR. SPEAKER: The Honourable Minister of Highways.

HON. PETER BURTNIAK (Minister of Highways) (Dauphin): Well, Mr. Speaker, if the honourable member can identify what the ridiculous situations are perhaps I could answer the question.

MR. WATT: If I may, on a point of privilege, Mr. Speaker. The ridiculous situation is that the farmers living three miles north of Deloraine have to pay long distance to phone into Deloraine, to the business people in Deloraine. --(Interjection)-- for at least four years.

MR. SPEAKER: Order, please. The Honourable Member for . . . The Honourable Minister of Highways.

MR. BURTNIAK: Mr. Speaker, this is very interesting to discover that just in the last four years this has happened; I wonder what happened in the past. However, this is something that I think I have said, oh on numerous occasions, that the Telephone System and the government and the Department of Highways where the Telephone System is under my jurisdiction, and government policy has been, to look into these sort of matters and this is something that we have studied and we are trying to do something about.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question . . .

MR. SPEAKER: Order, please. The Honourable Member for Arthur have a supplementary?

MR. WATT: Well, Mr. Speaker, it isn't exactly a supplementary question. The question that I asked was: has the telephone board received submission from the designing people within the telephone system, the Manitoba Telephone System. . . .

MR. SPEAKER: Order, please. I do believe the honourable member is aware that a question rephrased once it's been answered doesn't make it any more pertinent. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, my question is to the Honourable The First Minister with respect to his previous explanations on the improvements to the airstrips in the north. My question to the Minister is: will these improvements be such as to enable the use of Saunders Aircraft in that area and broaden the sales prospects for that aircraft which the government is building?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, that may well be the incidental effect but it's not the primary intent. The primary intent of the expenditure of public money on the construction and improvement of air landing strips in the northern communities was to make it possible to get air transportation access into these communities so as to reduce the cost of air freighting into these communities, and it can be said, Sir, without fear of contradiction, that if an airstrip is built and makes it possible for the first time to go in with a multi-engined aircraft on wheels as opposed to a small aircraft on floats, that it should have a very dramatic, significant effect on reducing air freight rates to these communities. It hasn't happened quite that way, Sir, and it is cause for a systematic investigation.

MR. MCGILL: A supplementary question. Inasmuch as the Minister has indicated that he will provide all-weather gravel surfaces, my question is: will the Saunders Aircraft be able to operate in and out of those strips?

MR. SCHREYER: Yes, I am advised affirmative; yes.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Thank you, Mr. Speaker. My question is for the Minister of Mines. Has the Manitoba Exploration or Development Corporation set up to, under his department, to explore for and discover mineral resources? Has it filed any claims of mineral discovery?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, as occurred last year, the Manitoba Mineral Resources Exploration Company will be reporting its activities to the Committee on Public Utilities during this Session.

MR. ASPER: Mr. Speaker, to the same Minister. Can he, in his capacity as House Leader, indicate when the Committee on Public Utilities will next meet?

MR. GREEN: Not at the moment, Mr. Speaker. By the way, Mr. Speaker, the Capital Estimates, I believe, were debated on Monday. At that time there was approved Capital Supply to the Mineral Resources Exploration Company given, I believe, in the amount of \$1,200,000, apparently without any debate on the part of the honourable member.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I have a question for the Minister of Mines and Resources. In view of the government's rejection of Mr. Kierans' recommendation of nationalizing mines, could we expect the government, as an alternative, to raise the mineral tax this spring?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, there has been no rejection of the Kierans Report. There have been various opinions expressed on it including by the First Minister and myself. We are waiting for a Task Force report. I would advise the honourable member that if he thinks that one can merely tax any limit one wishes to, without any effect on the productivity, then I have to tell him that he is wrong.

MR. SPEAKER: Orders of the Day. The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I direct my question to the Minister of Mines in his capacity as the Minister that answers for the MDC, which controls the state town of Leaf Rapids. Is it true that the Town Centre at Leaf Rapids is over a year behind schedule in construction?

MR. GREEN: Mr. Speaker, in the first publicly-owned and controlled community in this province, where the people own and control and produce and will have the benefit of the increased value that results in their community, the production, the construction of all facilities are proceeding. I would not be able to say whether they are further ahead of schedule or further behind schedule than occurs in similar proceedings in other developments.

MR. G. JOHNSTON: Another question on the same subject, Mr. Speaker. Is it true that the projected July 1973 population of 3,500 for Leaf Rapids is not any way nearly being reached and in fact the population is about 1,000?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I'm unable to confirm or reject the previous projection that my honourable friend is referring to, but I can tell him that projections have not only to do with the development of construction but have to do with the development of the mine, which to my knowledge is still controlled by a private entrepreneur, not the state.

I would also indicate, Mr. Speaker, that apparently the Leaf Rapids Development Corporation capital supply went through on Monday without the presence of the Leader of the Opposition - Leader of the Liberal Party - I almost got into this deal business - the Leader of the Liberal Party making any comment on it.

MR. G. JOHNSTON: Mr. Speaker, a supplementary question. Could the Minister inform the House as to how many people of native ancestry are employed at Leaf Rapids?

MR. GREEN: Mr. Speaker, there is in the contract - not in the contract - there is a commitment between the mine and the government that the area will employ northerners. I believe that that is the people from the area. I cannot give him the exact figures. I'm prepared to see whether they're available.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Honourable Minister of Labour. Can the Minister tell us when the report from the Minimum Wage Board, will it be tabled in the House prior to any changes in the minimum wage?

MR. SPEAKER: The Honourable Minister of Labour.

ORAL QUESTIONS

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Not necessarily, Mr. Speaker.

MR. PATRICK: A supplementary. When will the report from the Minimum Wage Board be tabled in the House?

MR. PAULLEY: In due course.

MR. SPEAKER: The Honourable First Minister.

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

MOTION presented.

MR. SPEAKER: The Honourable Member for Virden. The Honourable House Leader.

POINT OF ORDER

MR. GREEN: Mr. Speaker, I wonder if the honourable member would just permit me a point of order at this stage. The Orders for the Day have an error in the time, as indicated to me by the Clerk. On Page 3 the time is shown as 87 hours 5 minutes. I'm advised that the actual time is 87 hours and 55 minutes, and I wish that would be communicated to members and recorded.

MR. SPEAKER: That was a typographical error. The Honourable Member for Rhineland has a point of order?

MR. FROESE: Mr. Speaker, I would like to speak on a matter of grievance . . .

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I think I had been recognized.

MR. SPEAKER: Order please. I believe there are two gentlemen who wish to speak on a matter of grievance. Originally I recognized the gentleman for Virden but I thought the Honourable Member for Rhineland had a point of order so therefore I had to question whether that was what the procedure was. Since it is not a point of order, he too is speaking on a matter of grievance and must give the floor to the gentleman I recognized first. The Honourable Member for Virden.

MATTERS OF GRIEVANCE

MR. MCGREGOR: Mr. Speaker, I rise on a point of grievance and I will outline the importance of this grievance, and the importance is of the racing industry in the Province of Manitoba. The tourism, the importance of tourism and the tourist attraction, the importance of the revenue and the recreation. Earlier this morning I spoke to the Minister of Tourism and Recreation. I know he had an appointment. He is on the way to Minneapolis at this time and I have waited all week to have him in the House. I showed him the grievance point by point and I must report he agrees to these grievance points and that he agreed to answer me after he read it from Hansard. And the grievance is this: It's nothing new.

It is something that I approached when I was on the government benches. I sensed there was something wrong; I was not able to really put my finger on it. I took the trouble, knowing that the horses were coming here to Manitoba from many places, out of my own hip pocket in conjunction with other Manitoba promotions I visited horse owners in Overland, Kansas and McCook, Nebraska. I asked them why they were not sending horses to Manitoba. They didn't really - I knew not what I was searching but I knew there was a missing link. I took the trouble to visit Exhibition Park in Vancouver and I took the trouble again to visit Sackville Downs at Halifax searching, always searching, in conjunction with other trips and I might add none of these were certainly paid by the treasury of this province, and having spoken to experts, horse owners, promoters, track owners, and I was still desperately trying to find out what was missing here. And my fear is, if this situation isn't cleared up and cleared up clearly we will lose a great portion of this industry to our northern U.S.A. states such as Minnesota.

I am neither judge nor jury, Mr. Speaker, on this situation, and I ask for the record through the Minister: has the Minister had consultation with the present Racing Commission? Are they aware of any dissatisfaction by owners, by jockeys? Do they regularly attend racing meets and does the Minister get regular reports from them? Does any member of that Commission have prejudice regarding gallopers, as I would know them, over harness races? Are all members of that Commission real and genuine at heart race people?

GRIEVANCE

(MR. McGREGOR cont'd)

And as I said, the Minister agreed to read it in Hansard, my grievance motion, and probably he will answer that he's fit. I know, I've talked to the ex-Minister of Tourism some years ago about this very problem. I was searching then and, as a good, capable Minister or otherwise, he did not lead me into anything that added to--but I think I know where some of the guilt lies, and I just conclude. Mr. Speaker, I neither expect the First Minister or the ex-Minister had this. I think it's something extremely serious to the betterment of all Manitobans, and so I say thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker or Deputy Speaker, I wish to raise a matter of grievance, namely the government's failure to provide the means for a proper income for the farm community and also deploring the lack of concern for the farmer and the farm worker and his welfare. Mr. Speaker, I think it is also rather deploring that the front benches are as empty as they are when we as members raise points of grievance. Certainly when I deal with the matter of agricultural industry here and not having the Agricultural Minister present. I think the Minister should be present to hear the grievances that members have when they register them in this House, and I think properly we should have a reply at the time on these questions raised.

MR. DEPUTY SPEAKER: The Minister of Finance. Point of order.

MR. CHERNIACK: I would indicate if the honourable member is complaining that the Minister of Agriculture is not present when he's raising a grievance on that department, the fact is that the Minister of Agriculture had no previous knowledge that the honourable member was going to speak, and during the Estimates he was certainly here to answer all questions. Under the procedure that we're dealing with now, there is no requirement and really no possibility for anybody to enter into debate with him unless he himself wants to deal with a matter of grievance.

MR. DEPUTY SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Certainly the front bench knew that we were not proceeding with Estimates, that we were going to have grievances heard. The two of us were on our feet, so that this is well-known to the Ministers of this Government that grievances would be raised. So I don't think there is an excuse for them not being present to hear what the grievances are.

Mr. Speaker, I feel that the government is certainly failing as far as the agricultural industry and as far as the agricultural community of this province is concerned. We have the Guidelines Volume One and they're certainly admitting themselves that - in this report - that they are failing and that they're a poor failure to meet the conditions that are required as far as the agricultural community in this province. And I'm reading from Page 81 of Guidelines Number One, and I'm quoting: "The unequal distribution of income among farmers can be shown in terms of gross sales and net income. According to the 1971 census, only 27 percent of all Manitoba farmers sold agricultural produce with a value of more than 10,000, which would be near the minimum required to yield a minimum income from farming."

And it goes on: "In 1971, about 72 percent of 4,000 farm families interviewed by the Department of Agriculture in rural Manitoba had a net family income of less than 3,000. This survey also revealed that nearly 40 percent of the province's farmers earned less than \$1,000 net income that year. These are total family incomes including money earned for all members of a family as well as old age pensions and family allowance."

This is a very very poor record, and it seems that the government will not take any action in this direction to improve the situation. It is really a very dismal situation that the farmers face in a situation like that. Fifty percent of the farmers of Manitoba earn less than \$1,000 net income. I think this is a shame and this is why we see the agricultural industry, which was once "the" industry in Manitoba, and is now being downgraded by this government. And I feel that this is deplorable indeed. Programs that have been instituted by this government are always conditional. They set the terms and if you meet certain things that "we want done we'll give you so and so much," or provide you with so much credit. They always use conditions and this type of regimentation, not giving the farmers a free hand in whatever way they want to deal and how they can improve their incomes. No, they have to meet these stipulations and these regulations and be governed by this type of regimentation.

Certainly the government is far from recognizing our agricultural industry for what it should be, and is downgrading it. We need floor prices for wheat in this province, and I think

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(MR. FROESE cont'd) we should be prepared to provide a floor price provincially of at least \$2.00 per bushel - that will be at the elevator - for the farmers of this province. We could, in the initial stages, limit this probably to 5,000 bushels per farmer, but certainly this would then provide some stability of income to the farmers. And it would encourage production. We had a LIFT Program a few years ago instituted by the Federal Government, LIFT being Lower Inventories for Tomorrow. And we have seen what havoc this policy brought on us, where we now have improved prices and nothing to sell, or hardly anything to sell. We are indeed falling short. And look at the headlines of the Winnipeg Tribune Thursday, May 10th: "Grain Reserves Critically Low." And the article goes on to say, and I'm quoting now: "United Nations - World grain reserves have dipped to a point where rich and poor countries alike will depend on the vagaries of a single year's weather for adequate supplies, a U.N. group was told Wednesday. Remaining stocks no longer provide an adequate buffer against crop failure, said E. M. Ogello, Assistant Director of the World Food and Agricultural Organization. He said food supplies for millions during the coming year, such will depend almost entirely on 1973 harvest." Further in that article it goes on to say, and I'm quoting again; "Ogello said wheat reserves around the world have fallen to 28 million tons, only 23 percent of estimated 1973-74 needs. This is the lowest in 20 years, he added, and stocks of rice and other food grains are correspondingly lower." That is what we are facing today, that we will and could very likely have a food shortage, and yet at the same time we're not encouraging our farmers to grow more wheat and to grow it at a price that will be beneficial to them.

I would like to quote from another article of the Winnipeg Free Press of Tuesday, May 8th, which is headed, "World Crop Conditions at Critical Stage." In this report, and I am quoting again; "Dave Suderman, Information Director for the Board" - and this is the Canadian Wheat Board - "summarized current conditions and the outlook for Canadian producers in an interview. The carryover at the end of the crop year July 31st for the five exporting countries, United States, Canada, Australia, France, Argentina is estimated at 950 million bushels. World consumption of wheat is about 34 million a day. This would leave world consumers hungry after 25 days without the current crop to fall back on."

So this, Mr. Speaker, shows us the condition we're in, what little reserves that we have, when we look at the world situation, and I think it's high time that something be done to encourage farmers of western Canada especially to increase production of wheat.

I would also like to mention the matter of stabilization. Stabilization of prices has been mentioned by the Minister of Agriculture here in Manitoba. But what do they actually mean by stabilization? We see that over the many years we had stabilization but at a very low price, and what use is stabilization when it's so low that it doesn't even pay for the cost of production, and this too is deplorable.

And I would like to briefly refer to an article of the Winnipeg Free Press, May 9th, which is headed, "Lang Advocates Reserve Granary." This refers to Senator Lang, a former Cabinet Minister of the present government, and I'm quoting from this article: "Mr. Lang said that every grain grower operates under the double threat of weather and world price." And then he goes on to say, "Because of inadequate practice we are still compelled to deliver some 300 million bushels of wheat, or have delivered it under contract, at least 75 cents per bushel under current values, said the Senator." This goes on to show that here we have higher prices and the farmer is unable to cash in on the higher prices that are available because of commitments made by a Crown corporation of the Federal Government which is set up by statute and to which we as a province are committed to have passed legislation supporting the same, and yet we find that the responsibility to see to it that the farmer is properly rewarded is not followed or not contained therein.

The same article also goes on to say, and this is Mr. Lang speaking, "What I am proposing is the purchase of an insurance policy in stability. This is all the farmer wants, he said." But then he goes on to say, and quoting again: "He proposed that a reserve granary be built at Vancouver," and he's talking now of setting up a reserve granary. "He said, if all the real costs are computed such as maintenance of the canal system, ice-breaking, etc., Vancouver is a cheaper port than the Lakehead by 40 percent." So he is fighting very strongly, coming from British Columbia, for the Province of British Columbia and the seaports in that province.

Yet what do we hear in Manitoba. We have a seaport, too, but our Minister says nothing,

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(MR. FROESE cont'd) and does nothing in connection with this. We should be increasing storage facilities at Churchill so that the farmers of Manitoba would be benefiting from this type of . . .

MR. DEPUTY SPEAKER: Order, please. The Honourable Member for Ste. Rose on a point of order.

MR. A. R. (Pete) ADAM (Ste. Rose): I believe the honourable member is not stating correctly. The Minister of Agriculture has made representatives repeatedly on the . . .

MR. DEPUTY SPEAKER: Order, please. The Chair will determine whether there's points of order, not the Honourable Member for Rupertsland. Order, please. Order. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I was just mentioning the Port of Churchill. This is a port in Manitoba where we have some facilities for grain handling and storage facilities, but I think it's very inadequate. The storage facilities should be increased at least threefold so that we could ship all our wheat produced in Manitoba through our own port, and certainly advance its capabilities. And this would definitely stimulate our economy and be an asset to this province. But what do we find? We find that very little attention is given to it. This last week a convention was held at Churchill, and I have yet to hear a report from the Minister on any statement whatsoever as to development up in the northern area and the Port of Churchill. --(Interjection)-- He wasn't even there, that's right. He is not paying attention to that type of development here in this province. And I think this is deplorable that our government will not look after the farm industry to a greater extent than is being carried on. I think it's shameful. Certainly as I mentioned, and as the article mentioned here, we would like to see stabilization but not at the expense of cashing in on better prices when they are available, which is only probably once in 20 or 25 years. And this is I think far too far and in-between and that we should see to it that the farmers receive a better price, and therefore I strongly advocate that we have at least a two dollar floor price on the first 5,000 bushels of wheat sold --(Interjection)-- \$2.00 on the first 5,000 bushels of wheat per farmer. We note that the two-price system payment that are just coming out are based on wheat bushels. I think they mentioned something like 4,500 and at 7 cents, in addition to that they pay an acreage payment of 87 cents, I think it was. So this is the Federal Government's contribution to the wheat produced and consumed in Canada. But I feel that we have an obligation to our Manitoba farmers to supplement their income through a floor price on wheat. And that certainly would help to stabilize the income of the farmer to a much greater degree because not only would it help the wheat farmer but the produce and certainly the other crops produced by farmers would be regulated accordingly, because otherwise the production of wheat would be much higher and I'm sure that the others would be adjusted accordingly, and I think in this way we could then use the pressure on the Federal Government to institute floor prices. Once Manitoba took the lead I'm sure the other provinces of Alberta and Saskatchewan would bring pressure to bear on the federal authorities that they would then see to it that we did have floor prices, and at a higher level.

This is definitely needed because the cost of operating farms today is increasing. Just the other week we found articles in the paper, and I think these were brought out by the Manitoba Government themselves, that costs, farm costs, are increasing by 10 percent this year. And the amount of fertilizer that is being put in and has to be used, the amount of sprays, be it for weeds, and this year there's prediction of grasshopper infestation, so that a lot of spray material will have to be purchased. This means that the farmer has to put in a lot of money per acre before he will ever reap a crop and this, as is mentioned, is subject to the risk of weather and various other risks where the farmer is involved. It's a large investment that he has to make and if he hasn't got the money he has to borrow it, and pay interest on top of that. So this is the situation today and that is why we find that the income of the farmer is much too low. We can spend so much money in other areas. We have the statement of the Manitoba Development Fund - a loss of 13,860,000 for the past year, which will be made up by this government, will have to. We can spend 13.8 million for nothing which doesn't provide nearly the jobs. If that money were to go into the farm economy we would find that we would be creating many more jobs, and many more useful jobs.

The matter of inland storage I think should also be raised. I have had the resolution on the Order Paper some years ago on this, for two or three years I think in succession, and I very strongly indicated at that time the need for inland storage right here in this province. The

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(MR. FROESE cont'd) one article I raised called for reserves in Canada, and I think we need reserves, that why should we subject ourselves to running out completely. But I don't think the costs of these reserves should be placed on the farmer. He already has to take care and carry the burden of all those risks. I think it's incumbent upon the Federal Government and the Provincial Government jointly, to see to it that these reserves would be held at the expense of government and not of the farmer. When they pass legislation whereby they control the deliveries and the sale of wheat of the farmer in a given crop year, then I think it's also incumbent upon the authorities to see to it that the cost will be borne by them. I feel it's very improper and certainly calling for too much, too great a burden that is being placed on the farmer to hold back his wheat deliveries on the farm for the benefit of the people of Canada and the people of the world. I feel that the farmer's entitled to sell his crop in a given crop year so that he can get his money, that he can get his pay for his works or his labours, and be able to pay his bills and make ends meet. But what do we find? We have set up an instrument whereby we control the farmer completely in that we restrict the deliveries, the amounts that he can sell within a given period of time and for what price? Right along we regiment his activities in this way and control his income. And I feel this is also very unfair and that this should be changed.

Certainly I'm in favour of having reserves, and I've said that before. We find that this was also practiced way back in Biblical times when wheat was stored, or corn was stored, in time of good years for years when stocks would not be as plentiful, when they had large famines, and in this way they certainly provided for their people. I think we should do the same rather than institute LIFT Programs, which would reduce production, that we increase production and call it a GIFT program, Greater Inventories for Tomorrow, instead of LIFT.

I've already mentioned the matter of the farmer that he is subjected to; if he cannot sell his crop in a given crop year that means borrowing because the creditors of his want their bills paid, and if he cannot sell his crop with what shall he pay his bills? So it's automatic that he then has to go and borrow money even if he has his bins full of wheat, he will have to go to the bank, or credit union, or whatever financing institutions there is, to get cash and to pay for his expenses. And I feel very strongly that he should be able to sell his crop in a given crop year if he so desires, and that he gets his income at the time that he wants it.

We are discussing the Estimates now which call for roughly close to \$700 million for the various cost departments of government. In 1960 this was \$89 million, it's about 8 times what it was in 1960. But that is not all. Then we go ahead and borrow close to \$300 million, so that the cost of government in Manitoba for the next year will be around a billion dollars. This is a thousand dollars for each man, woman and child. One billion dollars, and yet we will not look after the farmer which would probably need ten, fifteen million or, let's say at the most, 20 million. We cannot and this government will not do that. In 1970 they paid \$100.00, or a dollar an acre up to a maximum of \$100.00 to each farmer in Manitoba. Certainly conditions were not as bad at that time as they are now as far as expenditures are concerned by the farmers. His expenses have gone up since but we don't see any acreage payments now. Why not? Why not? Certainly if it was a valid, there were valid reasons at that time to pay for them, I think they're just as valid today, because the expenditures have increased not decreased for the farmer in Manitoba today.

So, Mr. Speaker, I have indicated the reasons for the farmer being in as poor shape as he is and, as the Guidelines also indicate, that his income is - 50 percent of the farmers with an income of less than \$1,000, this means that if he works for 50 weeks in a year and hours as would normally be the case for other employees in this province, that it would be 50 cents an hour. That is all that the farmer is getting for his labour. That half of the farmers of this province would get 50 cents an hour as far as net income is concerned. This is indeed very low, and certainly this means that the farm worker will also not as a result receive the remuneration that he should have. If the economy, the farm economy, was such that the farmer would be making more money, I am sure that much of this would also go to increase wages to farm help and would benefit not only the farmer, but also the farm worker, and I feel that this government has an obligation not just to see to it that people engaged in other industries are well rewarded for their labour, but also that the farm workers get a just return and a just reward for their labours. And this is completely ignored by this government.

The Minister of Labour certainly should take heed of what is being said, and what the

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(MR. FROESE cont'd) reports that are being filed by them tell them. --(Interjection)-- The Member for Portage says that the Minister of Labour doesn't know what the farmer is. I think when he was on this side of the House I remember that he introduced a resolution one time calling for \$3.00 a bushel wheat in Manitoba. Then they could argue for the farmer that he should receive a just return for his labour. Now that they're on that side it's completely forgotten. Where is the Minister of Labour? Do we have to remind him again of the resolution that he put forward and the arguments that he brought in. Well I would like to hear from the Honourable Ministers, why don't you take action then? Why not provide a floor price of \$2.00 at least, which is a dollar lower than what you asked for at that time, and institute such a program in Manitoba. Certainly if we can afford to spend \$13 million for losses on MDC, and various other corporations that are going bankrupt and where we're putting in money time and again, that we should then be able to afford to assist the farmer in this province in a small way so that his lot would be one, a better one, and which would then provide a measure of relief whereby the farmers would not have to give up in this province and to remain on the farm. Honourable members of the government should go out to rural communities this spring and see the large number of auction sale bills that were out this spring. The windows were all plastered in the stores with auction sale bills. This is the way the farmers are leaving the farm in Manitoba this year, and the government is partly to blame for this because they have to - they have an inadequate income and they are better off to go off the farms and go on welfare, because under welfare they would receive something like \$4,000.00, yet here they get \$1,000 of net income. And how are they supposed to live on it? And under the new legislation that they are proposing, this will be increased, so the situation will be worse instead of better. Not that I'm denying the people that are entitled to assistance, for better assistance, so that they can have a decent living, but I think it's also incumbent upon us to see that the farmers of this province and the farm workers of this province have a better income and one that will enable them to live a better life in the rural communities.

MR. DEPUTY SPEAKER: The Honourable Member for Rupertsland.

MR. ALLARD: Mr. Speaker, I rise on a point of grievance.

A MEMBER: Could we have a coffee break, Mr. Speaker.

MR. ALLARD: Mr. Speaker, I want to congratulate the government and the First Minister on their serious and continuing efforts to get a decent deal for western Canada insofar as their position within Confederation is concerned. I think we've been getting shafted and I want to add immediately following it so you don't forget what I just said, that I hope that they want to follow the same practice and the same principle when it comes to the north because the north feels that the south is shafting it. That is the argument I've been trying to make, that is the argument that I am making, that I will continue to make. I think that the Premier will get a great deal of support in his efforts to bring the other Premiers of the west to face the Federal Government, that they get a better deal for the west.

The argument is transportation. That's at the core of it, isn't it? And when we bring the same subject up as far as north and south is concerned, then government is no longer responsible. We asked the Federal Government to use the instrumentality of the state to interfere, to equalize our situation in the west with that of the east. But when it comes to the north, suddenly we go mfff! Not a sound any more. And I think this is false and a poor argument. It's just walking away from one's responsibility. We argue in the west that we produce a great deal of resources. You know, we are the growers of wheat that produce this foreign exchange etc., etc., etc., energy. Mr. Speaker, the north produces, according to the figures we have, something in the order of \$290 million a year in minerals, last year. It's going to produce \$250 million in hydro power to give the rest of this province, the rest of this province the lowest rates in the North American continent and perhaps in the world as far as hydro is concerned. And it's fine. The only thing, the north would like a fair shake. They don't want to be richer than anybody else, they'd just like to see a position of parity established so that their situation is equalized with that of others. I said mineral, hydro, pulp and paper . . .

MR. BOROWSKI: Muskrat skins.

MR. ALLARD: . . . tourism. You know, most of the people who come into this province as tourists or as hunters, you know, spend their money in the south and end up--but come here because of the north. They come here because of the quality of the water, of the environment. Mr. Speaker, the funniest argument that I've heard has to do with compensation for hydro -

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(MR. ALLARD cont'd) hydro damages not hydro as an asset. We could forget about that one. It reminds me - you know, it's somewhat the same as having a rustler come along, identify himself very boldly and cut your fence down, then tell you he wants to pay you a dollar an hour for helping, for getting your help to lead his cow, which will now become your cow, his cow down to the abattoir, then turns around and says, "You know, let's bicker about--"after he's done it, cut your fence down he says, "Let's bicker about how much we'll pay you for the fence." At first you say, well he wants to pay for the fence. All at once you remember, hey my cow. The north says hydro, my cow, our cow. And I think that the First Minister accepted in a very general sort of way the idea that there should be compensation for assets. But then he says, "That cow really is a little cow. You know it amounts to what? Two hundred thousand dollars a year or something of that nature? A very small cow." Until he starts talking to somebody else about that cow; then it becomes a \$250 million cow. Well, Mr. Speaker --(Interjection)-- The Member for Portage says that it's really no longer a cow, that it's a lot of bull.

You know, the north is not asking for handouts. There seems to be an attitude from this House that when you're giving more to the north you're giving--they just want their fair share back. Mr. Speaker, the man who sat in this seat in front of me until last year, did so for the last three years or four years of his stay in this House as an Independent. It's no great joy to sit as an Independent. One must have a very serious reason to do so. Quite frankly he did so because his former colleagues neglected the north absolutely. And I think they'll accept that. --(Interjection)-- Well as close to it as you can come. You know, there's an old argument that says that almost nothing is really nothing.

Now we have the government standing there and telling us "Yeah, well we're doing more." More than almost nothing is twice almost nothing. You're still pretty close to zero. I'll agree, Mr. Speaker, that a considerable amount more has been done. But we can't compare what is being done as a function of what should be done with what was being done, but what really needs to be done as a function of what the north is and what it needs and what it should be getting, and not as a way of a handout but as a way of a right. As a way of a right so that they can achieve this equality as a human condition, which is a good goal but let's work on it for the whole province for all of us, those of the north as well as those of the south. It's a question of parity and of justice, not a question of charity.

Mr. Speaker, one of the unpleasant things that the north complains about is that the programs that are developed for it are developed "for it" and not "by it". I see programs developed somewhere here or in Ottawa, I don't know where, information communication, the north had nothing to do with it. They were presented with it. It's a form of a propaganda unit or God knows what for political purposes. The new extension service that's being developed in Northern Affairs, and more money is being put into Northern Affairs and it looks good, so you ask yourself what does it do? What does it do for northerners? What's the real result? Well some of the local mayors in the north have had some comments about the real result. They're plainly saying that to be hired, to be hired with the new extension service which replaces community development that they used to have before, which has a bad name, now they've got an extension service, extension service worker, to be hired you've got to be a long-haired shackled-up hippie and both of them are hired, both male and female shackled-up ones.

Now, Mr. Speaker, the people of the north are an open-minded people but they are not very happy when they see that kind of development. These statements, by the way, are not my statements; they're the comments by some of the mayors of the north who said that to be hired that's what you had to be. And they're--that's what they're presented with. --(Interjection)-- The comment was not mine. The comment was somebody else's. I repeated it.

Mr. Speaker, the north produces a great deal of hydro now. It would seem to me that the normal - as in the case of Alberta where they produce a great deal of oil and they'll say, well, have a two-price system. Why should not the north have this kind of an advantage. After all, the hydro is produced up there, the sites are northern. You know the river there, the water that is going to be transferred from the Churchill River. Why should there not be a two-price system in the north? Why could there not be a break on hydro costs as far as the north is concerned? The towns and the communities in the north? And we don't have that now. The communities themselves are still served by extremely high cost services and they have a limit, a limit on the amount of hydro that they can use. It's not practical; the price is so high that they can't even have toasters. Light is pretty well the limit of what they have.

GRIEVANCE

(MR. ALLARD cont'd)

Mr. Speaker, I started my few words by saying that I agreed with the efforts, wholeheartedly support, and that the Premier has the wholehearted support of people in this province in his efforts to get a better deal for the west, for the province, insofar as the rest of Canada is concerned. Certainly the east, the two large eastern provinces in various areas, and they're asking the Federal Government to intrude into the economy to achieve these results. I would suggest that as far as the north is concerned the same argument exists, the same feeling of alienation, the same desire to have something to say about the decisions that affect it and to have a better deal as far as the moneys that are put up there, that are distributed, are concerned. Exactly the same feeling of alienation and with possibly the same result. I went up north and quite frankly, Mr. Speaker, there is not only dissatisfaction with the two old line parties - and this is a fact, because they say, well, what did they do in the past? There's also dissatisfaction with the present setup and they say, "They're not listening to us. They don't seem to understand that we want something to say in this whole thing and we want justice, we want parity, we want equality. We don't want to just be taking somebody to be milked as hewers of wood and carriers of water, and just bring out ore from the ground or people who just go to help to build the dam and to build the hydro installation. But what benefits do we get?" We're being told "you can have a job" and that's a relative thing, by the way, Mr. Speaker, because the rules that are established as they stand mean that effectively northerners don't get as good a chance to get those jobs. And it's the unions that are responsible for it. The Hydro Council has established, along with the co-operation of the Province, that kind of conditions that make it very difficult for northerners to be hired in the jobs in the north.

Mr. Speaker, I'll not even speak of the Department of Health and Welfare in the north. I mean that has become endemic; it's like a disease. I mean the relationship that they have to it, you know, is mostly related to getting locked up, I think, to putting time in the establishments that are run by the Department. And the reception of welfare. Mr. Speaker, I'm not one of those who likes welfare. I dislike it intensely. I made all the efforts I could to help establish manpower efforts in the north. I propose, and with the moving power I think behind the efforts to establish a Northern Manpower Corps. I regret that it seems to be sliding into some sort of social welfare-oriented in-House setup rather than receiving the solid muscle that it needs from the government to see to it that the northerners get the jobs that they need. This is not happening as it should.

Mr. Speaker, I'm going to finish this by repeating that the same argument that exists for the west insofar as the east is concerned, exists for the north insofar as the rest of the province is concerned. Northerners want to see all Manitobans enjoy prosperity at reasonable costs insofar as hydro is concerned, and do their share. They want their share too. They want parity in terms of the human condition, of living condition, and equality of life. Thank you, Mr. Speaker.

INTRODUCTION OF GUESTS

MR. DEPUTY SPEAKER: Before I put the question before the House, I'd like to draw the attention of the honourable members to the gallery where we have 35 students of Grades 4, 5, and 6 standing of the Grand Rapids School under the direction of Mr. Bashutski and Mr. Loewen. This school is located in the constituency of the Honourable Member for The Pas, the Honourable Minister of Northern Affairs. On behalf of all members of the Manitoba Assembly, I bid you welcome to the Chamber.

Is it the will of the House to adopt the motion before the House? Agreed? The Honourable Member for St. George.

SUPPLY - HEALTH AND SOCIAL DEVELOPMENT

MR. DEPUTY CHAIRMAN: On the Estimates of the Department of Health and Social Development, (r) and (s) were read and passed) - The Member for Rhineland.

MR. FROESE: Well, Mr. Chairman, on this one, just where does FRED come into the picture? Is this in connection with the Interlake area or--I'm trying to get the Minister's attention. --(Interjection)-- Oh. Fine. (s) is dealing with the Canada-Manitoba FRED Agreement. Does this have to do with the agreement that was consummated in connection with the Interlake area? Is that . . .

MR. TOUPIN: Mr. Chairman, the answer to the question of the Member for Rhineland is that this program is shared with the Department of Agriculture for provisions of general counselling in community affairs programs towards the development of the Central Interlake area with a concentration on Indian and Metis communities, and it covers the cost of staff of general counsellors and community affairs officers operating in the Central Interlake area under FRED agreement, and other expenditures consist of operating, travelling and related costs.

MR. DEPUTY CHAIRMAN: (The remainder of (s) was read and passed.) (t)--passed -- the Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): I believe it's under this item that the Minister has promised to tell us about the child care programs that he is planning to develop.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. TOUPIN: I'm only wondering if the Honourable Member for Fort Rouge was in the House when I expanded somewhat on the day care, child care program that we're still working on but which estimates are within this appropriation.

I haven't got the breakdown here but I believe that there is, and it can be confirmed by my officials before me, that there is a half a million dollars within these estimates, within this appropriation for a child care, day care provisions, that will be based on the - it's not a universal program, but it will be available to all based on the ability to pay, and I did indicate when I spoke to the House on the subject that the scales themselves had not been finalized but that it would be based on the ability to pay, with start-up grants that could vary depending on the amount of children that are to be cared for. And then for the per diem itself that that would be based on the ability to pay. It's the scales themselves that have not been completed. There is a half a million dollars within these estimates which is ten times as much as what we had in the last fiscal year pertaining to day care centres. And this will only be for a part year because we're not ready to start this off right away hopefully that we can in a very short while. We're hoping that this will definitely meet much more of the needs in regards to day care facilities, not only for those that would like to be cared for, say, in an institutional type facility, but those who would like to group themselves, say, four or five families and have a setting there. The start-up grants would be related, depending on the amount of children that are to be cared for, and the per diem will definitely be based on the ability to pay. And I did indicate before when I spoke on this item that we haven't finalized the dates, the cost-sharing arrangements with the Federal Government. We're still hoping to cost-share with Ottawa, but this is our part of the amount that is to be spent in day care services for the year 1973-74.

I hope that this suffices the honourable member. If not, maybe she would have a specific question that I could address myself to.

. Continued on Next Page.

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MR. DEPUTY CHAIRMAN: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Chairman, I'm not really terribly reassured by what the Minister has said. He indicates that there are some, there is some change taking place. He talks about four or five families getting together to start up a, I suppose a sort of co-operative day nursery centre. If this is another variety of services to be provided then this is probably a good thing, but the indications appear to be that the government is not doing anything towards enlarging the variety of facilities available but is in effect forcing out of business some of the most successful programs that we've had. I did speak on a previous occasion and indicated that the government had a lot of explaining to do particularly in relation to the luncheon after school programs.

It used to be that the agencies or the schools could refer people directly to day care programs and the amount that the person benefited, at least the person who is putting the child in care, had to pay was determined on by the agencies. Now we find there's been another centralizing action taking place. During this past year the government has insisted that all children who are in the day nurseries, or day care centres, have to be placed under special dependent care. They've been audited by government agents, government officers, and in fact their discretionary powers have been removed and referrals are now having to go through the regional offices.

Well this has been really very damaging to the people who required these services. The day nurseries are now serving a different population, and people who used to be able to take their children are now told that they're not eligible because of the amount of income that comes into a family, and I related earlier one woman who had been squeezed out of Knox Day Care Centre and had to place her child in a private home with an unhappy result.

The government is unrealistic when it sets a budget for the person who is seeking this care. They allow 12.50 a month, there's debts for instance whereas the average is \$16.00, and this is lower than for people who are in a non-welfare bracket. This debt of course relates to essential items such as stoves or refrigerators, or this sort of thing, but they are now being viewed as welfare recipients and are squeezed into that budget and are being labelled. If they have trust funds, they have been required to convert those to cash and use that money.

What has happened is that those who are students were squeezed out of the program first. Their food and clothing allowances for instance in this budget were still based on 1969 costs, so that the figures have been pretty unreal by which the government has determined what these people will have to pay for their care. I have mentioned Westminster Church Program which was licensed to take 40 children. The referrals have been principally from children from Mulvey School whose mothers were working. At one time they would pay perhaps 35 cents a day towards the cost of the care of their child. When they had to begin working through the regional offices they were required to pay 2.50 a day, and the result was that many of these Mothers quit work and went back on welfare. The Home Street Program has been frozen out, Windsor Park closed down, Westminster Church has dwindled from a population of 40 to now something around 12 or 13, and I understand that the Crescent Fort Rouge agency is also in difficulties.

The Minister hasn't mentioned regulations. What sort of thing we might expect in the regulations. The provincial regulation has been most inadequate at the present time since it required just a certificate of good physical and mental health and a negative chest X-ray. This all being over the previous 12 months. Now the City of Winnipeg has had a very good set of regulations. Now at this time when the government seems to be centralizing the day care program, bringing it all under their control, and circumscribing its limits, we find that the Federal Government on the other hand has begun to realize the seriousness of the day care shortages and are actually becoming more active and more influential in this area. For instance the Federal Government is establishing a day care information centre, there are welfare grants for special research and demonstration projects, CMHC is supposed to be preparing to give assistance for capital costs, the LIP programs can be used to establish and improve facilities, and the Department of Indian Affairs and Northern Development will provide day care to accompany adult training programs, and of course OFY has given direct and indirect support for the establishment and the improvement of day care services.

I hope the government has paid attention to its own Rutman Report and is not in fact going to be simply imposing on the people their ideas of what child care should be. The programs in the community at the present time have been evolved over a period of many years and they have

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(MRS. TRUEMAN cont'd) been responsive to the needs of the people. The Minister seems to have this thing about the consumers participating. --(Interjection)-- Yes. But you know if you ask a mother, a sole support mother, to get her children off to a nursery school in the morning, who often work an 8 hour day, come back and pick up her children, take them home, feed them, given them their baths, and put them to bed, does she then want to go out to a committee meeting? Now they've tried at Westminster Church to involve the mothers whose children have been on the program; they've been invited to come and participate, and they just don't have the energy left. I don't believe there's been any complaint on their part.

The other disconcerting event that has occurred during the past year in regard to day care has been in connection with the Family Bureau. Now they will put a homemaker into a home, for instance, if the Mother is ill, physical or mental illness, or if there's a death of a parent, they will provide the homemaker that will help to keep this family together. And I was rather surprised when I attended the Annual Meeting of that agency not very long ago to learn that halfway through the year the Health and Social Development Department required them to close their intake for the remainder of 1972. Now I wondered whether this indicated that the need had changed, perhaps the need for homemaker services had vanished, but it is an open-ended program and during the debate, or the report, the executive director said that service demands increased but service was restrained in homemaker and day care because of provincial budget limitations. And I would like to ask the Minister why he required this agency to restrict their program halfway through the year. I know that it was not because the need vanished. Was this an effort to save provincial money? Was the squeeze put on the agencies, as it has been put on the people in receipt of social assistance? I think everyone has had the squeeze put on him so that this government could save and cash away the sums of money that they can now talk of having as surplus for the year, and of course we all know where that surplus is going, it's going into announcements and programs that will benefit the government politically during the forthcoming elections.

I think the Minister must explain in greater detail what his plans are for child day care in this province because there are very many unhappy people waiting to hear and to be reassured as to what he's planning.

MR. DEPUTY CHAIRMAN: The Honourable Minister of Health.

MR. TOUPIN: Mr. Chairman, I tried to on many occasions now to explain to the honourable member that the increase in this field is tenfold, and she keeps insisting on speaking on the \$50,000 that we had within our estimates in 1972-73. That was the last fiscal year. We're talking of a half a million dollars, and we're seeking cost-sharing from Ottawa, and because of the conditions of CAP we had to amend our regulations to comply with the stringent regulations of the Federal Government under CAP. Now I explained to the honourable member that we're looking at a program that will be available to all, based on the ability to pay. Now does that mean that those that were in operation in 1972-73 will have to close down? No not at all. Not at all. If they're able to pay for their care, they'll pay for them; if they're within the scale based on the ability to pay, we'll pick up the per diem that is set. I said that. Now I don't know, you know, what other details I can give the honourable member --(Interjection)--

Mr. Chairman, just let me complete one more explanation which I feel is imperative if we want to really delve into this. We've been negotiating now with the Federal Government for quite some time and till we get a final answer from our, what is considered sometimes to be our silent partner in Ottawa, we can't really determine to what extent we can go beyond the amount that we have within these estimates, but the amounts that we're talking about here is a half a million dollars. We have before us now 80 applications, approximately 80 applications, that are being considered. They'll be considered according to the guidelines that I've given here today, that I've given before in this House during the estimates. Now I can't go beyond that but I know, I know for a certainty that whatever will be offered through the Department of Health and Social Development by means of \$500,000 will be at least ten times as good as it was in 1972-73 because the amount is ten times more, and hopefully if the Federal Government comes in with us, it will be that much more again. And we've discussed this with many groups concerned. I've had a meeting just before -- well actually my estimates had started, when I met with a group in the building here, mothers who were quite concerned about services being offered by my department in regards to day care facilities, and so on, and I explained to them, like I did to the honourable members of the House, what we had within the estimates, and what

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(MR. TOUPIN cont'd) we were contemplating, and the meetings that would be needed in the future to determine the guidelines and the scales that will be needed based on the ability to pay, but with a service available to all.

MR. DEPUTY CHAIRMAN: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Chairman, the Minister hasn't said that the rates are going to be any more generous than they are at the present time. He hasn't said whether they are going to make the luncheon after school programs once more a viable service. If you're still going to require 2.50 per day from the mother, they aren't going to be able to afford it. Most of these mothers can't make more than the minimum wage. I think there is still a great deal of uncertainty and the Minister really hasn't laid the concerns at rest.

MR. TOUPIN: Mr. Chairman, again I'll try very simply to relate what I feel will be a policy acceptable, acceptable by those in need. It will be a sliding scale based on the ability to pay. If a mother who is on the minimum wage has children and can't afford to pay the 2.50, the 3.50, the 4.50 a day, depending what the per diem is set at, well then necessarily the department based on those scales will pick up the cost, but once the individual goes up that scale, is able to pay a portion of the cost, they'll do so, and they're very happy to do so. I think that's really the best way to launch a program that is available to all.

Mr. Chairman, by the way we're not only talking of, say, day care facilities as one would foresee them, when we talk of lunch after schools, and so on, that will all be covered, we'll all consider these applications.

MR. CHAIRMAN: (t)--passed; (u)--passed. The Honourable Member for Rhineland.

MR. FROESE: Under (u) the Guaranteed Annual Income project. I think as members were very interested in this new program that the government is instituting, and we have heard from other governments, and other administrations in other provinces, support for such a program from time to time, certainly I would like to hear from the Minister just what they have in mind, just what they visualize under this Guaranteed Income Program. To what extent will it be instituted in this province? Is the government prepared to announce the areas that will be designated for the project? Will this be on a geographical area basis, or is it certain groups of people? Certainly I think while the amount isn't that large, \$150,000, nevertheless I think we're embarking on a new program and I certainly would like to hear from the Minister just what the government has in mind in this type of program.

MR. TOUPIN: Mr. Chairman, the 150,000 in question is a provincial share of the cost of the final implementation planning of the projects. That means we're talking about 450,000 because the cost-sharing is 75-25, and that's been accepted by the Federal Government. When this planning is completed the annual operating cost of the project will be determined — we haven't determined that yet because this is the final implementation portion needed. As far as the sites for the projects themselves they haven't been determined as yet. This should be forthcoming I'd say in the early part of June, 1973, unless there's specific questions, you know, that's the reason for the 150,000 within the estimates now, and why it's only 150,000.

MR. FROESE: I actually want some more information. When we talk of a basic or guaranteed income, what is the level going to be? Is it going to be three, four thousand, five thousand? And I think we would also like to know just how many people, or what areas, will be included in this project, so that we are able to determine or . . . as to the impact it will have.

MR. TOUPIN: Well, Mr. Chairman, again I attempted to indicate to the honourable member that the area has not been determined. And that would be part of the details that should be supplied to Manitobans in the early part of June, 1973. The maximum amounts have not been determined, the scales that will apply you know to the guaranteed annual income, have not been finalized. It will be somewhat different than the scales that we have for social allowance, the tax rates, and so on, that will be applicable will be different than what we now know under social allowance, and so on, even with the incentive — not the incentive, the work incentives — it would be different than what is allowed, say, for the supplement of the working poor that we now have allowing, say, 30 percent of the earnings to be kept by the social allowance recipients. So there will be, you know, a difference in those percentages, but I can't give you these today because I haven't got them, they haven't been finalized, and the areas have not been determined. We're looking at different areas.

MR. CHAIRMAN: The Member for Rhineland.

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MR. FROESE: Will be based on let's say a negative income-tax return on the previous year, or will the assessments be made as of current stage, and is there no levels set yet and no indication as to what the maximum, or the set assistance, or the total income that will be set? Is there no indication at this time as to what it's going to be?

MR. TOUPIN: No, Mr. Chairman, we haven't set, we've looked at different figures but we haven't set, you know, the amounts as yet, and that's one of the problems that we have.

My civil servant here indicates who's in charge of the projects, that details are under review now with Ottawa although they've accepted the cost-sharing of 75 federal and 25 provincial, there's a, you know, the details pertaining to the scales, and so on, are being negotiated with Ottawa, and we haven't determined the areas.

MR. FROESE: . . . going to be assessed, these people. Let's say if it's a welfare case are the guidelines set up under the Social Allowances Act going to be used as items that will be excluded or included?

MR. TOUPIN: No they will not be the same as the regulations pertaining to social allowance. They will be different; they'll have their own scales, and that will apply for those that fall under GAI. --(Interjection)-- I would like to point out, and I think this is important, that say once the given area is determined for those who, you know, who fall within that area that are social allowance recipients, they'll be given the option to become, say, part of GAI or remain on social allowance.

MR. CHAIRMAN: The Member for Fort Rouge.

MRS. TRUEMAN: Well, Mr. Chairman, this bit of elaboration is helpful to us but we would certainly like to know a great deal more about the plans under this program. We'd like to know for instance what present programs will be replaced. The simplification of the administration is an essential factor in making a guaranteed annual income more efficient, and it would relieve the people who are receiving that assistance of a constant surveillance by bureaucrats. It would reduce perhaps the bitterness and frustration of always being under someone's thumb. So we'd like to know will there be still a needs test? Will a casework approach still be used? As this is an expensive and cumbersome way to provide assistance, will the people really be given more responsibility for their own circumstances.

In respect to making the operation more efficient then will some of the old programs be dropped, such as Workmen's Compensation and Blind Person's Allowance, and of course we'd like to know what the significance is having as executive director of income security a person who is also the chairman of the Old Age and Blind Person's Allowance Board in the community operations division.

Presumably since one of the objectives of the guaranteed annual income is to pick up and assist the working poor, I expect we can see some increase in the expenditures. The Barber Report has told us that according to an estimate by the Federal Government the cost increases if the whole province is covered could be as much as 38 to 66 million in one case, or as much as 94 to 123 million in another case. Now what percentage of the population of Manitoba is going to be under this guaranteed annual income, and we would ask you what further costs are anticipated? And if these costs are going to be high, then there has to be a judgment made as to whether the money would be better spent in creating permanent jobs through the private sector. Welfare at present is our biggest business and it should be reduced through permanent job creation, so that only in cases of need that were unmet by the provinces broken activity would we have to consider this form of assistance. Then I think the truly unemployed could be assisted to a better and more humane level of living.

We want the Minister to tell us for instance whether people who are on the program are to be given a percentage less than the poverty level; are they to be given the same or less than they are receiving at the present time on social allowances, and will they then be not benefiting from going out to work and to add to their income by this means. But if that happens, are they going to be pushed into ad hoc programs like LIFT and PEP as a condition of their receiving assistance, because if they are then the conclusion that could be reached and the evaluation would be invalid. Because we'll never know whether incentives worked, whether the carrot or the whip is really being applied.

I think that these are some of the concerns and questions that we would like to have answers to from the Minister.

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MR. TOUPIN: Well, Mr. Chairman, many things that are happening today, and should be happening today, will have to continue while the experiment is under way. One of the reasons for the experiment is to find out what would happen say if we took all programs that we now have at different levels of government, at the municipal level for the unemployed employables, at the provincial level for those that unemployed unemployables, for those that fall under UIC, for those that fall under Workmen's Compensation, what would happen if we did put that on under one umbrella and have that administered under say a guaranteed income. So these things will be, you know, these are some of the reasons why we're going ahead with experiments to find out what would happen. The creation of jobs by private enterprise should go on now for the unemployed employables. There's nothing that should prevent private enterprise from doing so, from creating meaningful jobs for the unemployed employables, and if that doesn't work well then the Crown at different levels must get involved with creating meaningful jobs. That is happening now, it's going to happen again in the future, no matter what happens to GAI. The cost concerned in regards to, say, the cost to the Provincial Government will be determined equally by the experiments.

The question of having the amounts payable to those on the guaranteed annual income being below or above the poverty line, well I did point out some figures in my opening remarks when I started on my Estimates how close we were now to the poverty line as spelled out by the Senate Committee on Poverty. So you know there will be a different when we come forward with the details on the guaranteed annual income and it is my — I can't say definitely today — but it is my definite impression that it would be beyond what is now what was actually spelled out as being the amounts payable under the poverty line by the Senate Committee on Poverty. --(Interjection)-- Yes, I'm informed here that a lot of the questions asked by the Member for Fort Rouge are good questions. A lot of them will not be answered till we at least start on the projects themselves, till we start testing some of the points that she's brought forward. So I don't know the answers to these questions and this is one of the reasons why we feel we have to experiment, and this is why the Federal Government accepted to go along with us. We're the first province in Canada that's going on the guaranteed annual income cost-shared with the Federal Government 75-25.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, I just have a few points on this guaranteed annual income and I believe that, I would hope that the Minister would give it a good test to see if there are benefits that should accrue from a guaranteed annual income project, or supplement, whatever you want to call it. I know it's over three years ago that I was after the Minister of Labour at that time to go into a pilot project and see what the results would be, and I know this is something that not only everyone in Manitoba but every province, I don't know how many other provinces are in the same program or have started a pilot program, I believe this is probably the first one. I'm sure that everyone in Canada will be watching how this will work and what the results will be. I know there's no better place to start than in Winnipeg, in the centre core of Winnipeg bounded by the CPR railway and Notre Dame Avenue, where you have some 2,500 families, and who have been on various government assistance from Federal and Provincial Governments and their lot has not improved in the last four or five years where our unemployment has been relatively low. Their lot has not improved, and their condition today is not better, in fact it's deteriorated to some extent, and has been pointed out in many of our studies, the Barber Report, and the Social Studies Report as well.

So I would hope that the Minister would certainly put this program to a real good test, and I think that if he hasn't given the guidelines, I would have hoped that perhaps he would have given us a complete separate paper on how this program will be put into effect, and I know it's not at the stage, advanced stage, where he can do this, but will this be applied to say northern Manitoba, or rural parts of Manitoba, or some parts of the City of Winnipeg, and I know the area in the city that I'm familiar with would be no better place to start than there.

And again I would also be concerned that some of these people are not put into some of our government made programs, which would not give us the true picture of what is happening. But I do feel that it should be used to a great extent and to the most extent as a supplement to people that are making below poverty wage, this is used as a supplement to bring their income up to the point where it gives them the opportunity to have those things in life that they can't afford on the salaries that they're making.

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(MR. PATRICK cont'd)

And as well let's find out and see through this program can the costs of welfare costs be reduced and this is I believe what it's all about. We're made to believe by some people, and of course by others who feel that the program will be too costly, and we have no way of knowing. So the only way we can find out is through a test or pilot project as this one here. So I would hope that the Minister would put it to a real good test and it would be worthwhile for him to give us a report on what way, and some guidelines how he intends to pursue this matter. But I agree with the pilot project and I hope that he'll put it to a good test.

MR. DEPUTY CHAIRMAN: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Well, Mr. Chairman, perhaps there's one other question I should ask the Minister and that is, what has really happened to make him change his mind since November 5th, 1971, when he made his presentation to the Senate Committee on Poverty and called a guaranteed annual income a dangerous idea. I quote from the Tribune of that date, the dateline is Ottawa, November 5th. "The promise of a new order and power to the people came face to face with the establishment of the Canadian Senate on Wednesday. The result was a draw. Manitoba's Social Development Minister Rene Toupin told the Senate Poverty Committee that poverty could only be beaten if both wealth and power were redistributed in the context of a radically revised social order. The new approach, that is the guaranteed annual income, would operate on the principle that what was good for the social and economic well-being of Canadians was also good for business and industry instead of the reverse, Mr. Toupin said. 'Well it's going to be awfully hard to get that philosophy across to us in one morning warned Senator David Croll.'" Further along the Minister is quoted as saying, that social order is the ultimate generator of poverty in all its dimensions, said the province's brief.

MR. DEPUTY CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Well before the Minister gets up to reply to some of the questions put, could he indicate to members of the House whether the poverty lines as set by the Senate Committee, whether the guidelines for this project will be governed more or less by it, or has the Federal Government indicated some guidelines as to what the guidelines should be for this project? Then too, is the Federal Government contributing as far as administration costs? Does this also come into the picture? Then as far as the projects, the test areas, I - as the Member for Assiniboia mentioned that the City of Winnipeg should be taken into consideration and the project be held in the city.

I think we should have two projects, one for the city and one for the rural area to find out how this would work out, if it was applied to rural areas because as I explained in my grievance motion certainly the income as far as many rural people is very low. And so that the cost might vary from city to rural, and I think the experience in the past has been that where assistance is being given that the level of assistance is probably higher in the city than in the country. I think this was the experience as far as the city's welfare office is concerned in the past. I don't know whether this still holds true but are the levels going to be the same for the city as for the rural? And what will be the effect? Does the government think that if guaranteed income is applied for certain areas that people as a result might move into that area? That they could have an influx of people then to those areas as a result. This could also be the case, so I think the principle certainly can be applied probably more readily here that where we have people unemployed under this program they would be entitled to earn more money and that the difference would just be made up if they can't meet certain levels. But I think at the same time it would encourage people to work, and I think this is what we want. We want the people not to either be rejected completely and as a result that they make the decision not to work at all and go on welfare. I think the idea is to encourage people to work and if they can't meet a certain level of income that we then supplement it, and that this is the principle of the program. If I'm wrong I certainly would like to hear from the Minister on this. I have missed the article that the Member for Fort Rouge mentioned. I certainly would like to know about the Minister's statement as to what was said and what the reaction was.

MR. DEPUTY CHAIRMAN: The Minister of Health.

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MR. TOUPIN: Well, Mr. Chairman, if I could use the expression the Member for Fort Rouge hit me below the belt again. Just to prove my point, Mr. Chairman, I'll table in this House the report that I made to the Senate Committee on Poverty back in November, 1970. And I did not say that the guaranteed annual income was not a good thing. I did say that the guaranteed annual income alone would be bad, and I still stand by that. So I'll table the report that I made and explain why, and what we suggested, we added, if the guaranteed annual income was accepted in Canada.

We will investigate, Mr. Chairman, the utility of combining job creation; I think it's a must with the guaranteed income program to act as an incentive to seek employment. I think that's important. Without that it's completely ridiculous. I don't think we should. All we'd have to do is supplement the working poor today if we didn't look at the other aspects that are involved.

The Member for Rhineland asked me if the administrative costs would be covered. Yes, they'll be covered by the sharing arrangements agreed upon with the Federal Government. The levels are being discussed with Ottawa. I can't say at this stage exactly what will be accepted and what differential, if any, there will be say between Unicity and the rural areas. I'd like to inform the honourable members that Ontario is planning an experiment. They are negotiating now with the Federal Government; they're meeting with my director and his staff to try and co-ordinate our efforts so we would not duplicate experiments. Mr. H... and his staff have met with officials of the Federal Government and officials of Rene B..., the Minister of Social Development in Ontario, on many occasions to make sure that what's happening here is not a duplication of what happened elsewhere in the world, in the United States, and what will happen in Ontario, and so on. We're wanting to get answers to questions that have not been answered elsewhere in the world. Winnipeg will be a site. I think I announced that about a month ago. Winnipeg will be a site for the random sampling in the Province of Manitoba. And the other site will be determined shortly and it will be in the rural area.

I'm informed here that administrative barriers to an influx of persons attracted by GAI will be established by establishing a waiting period for those not resident in a test site at the onset of the program itself. It's the same in a sense as the policy that we adopted for the coverage of all of the health facilities in Manitoba. If there was not such a waiting period as we have now under Medicare, a three month waiting period, where you bill back the province in question, say, to the insurance of all levels of care, you could have an influx of people into Manitoba just to receive this coverage. So we have to look at that, and we are, and pertaining to say the coverage of all health facilities in Manitoba. And this will be applicable to this program.

MR. DEPUTY CHAIRMAN: (The remainder of Resolution 58 and Resolution No. 59(5)(a) (1) to (a)(3) were read and passed.) (b)(1)--passed -- the Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Chairman, I think that it's a little premature perhaps to discuss this item since we received the interesting document yesterday entitled Mental Health and Retardation Services in Manitoba, which of course contains a great deal of information which we've not had time to absorb. I do just want to make one plea to the Minister and I note that on Page 2 of this book under Mental Health Program No. 5, it says, "the development of a regionally based community oriented mental health program should emphasize care in the community as opposed to hospitalization." Well, Mr. Chairman, I realize that this is the popular trend these days that a person who has mental illness can be looked after on medications, they can be placed in foster homes, and when they are well, or at least on a program of control; they can be placed back out in the community where they can live more normal lives. I would just like to add a little concern that I feel about the community-based program as it exists at the present time. There have been three cases that have been brought to my attention in the last little while where the community-based services really fell, seemed to fall short of what was needed to give the patient the protection that he deserved. In all three of these cases the result was tragedy — two suicides — and in my opinion a follow-up that is necessary when you place people out in the community where they are no longer given the protection that they may need, even from their own behaviour, then I think you have to have a very close follow-up service. I am not certain that the province has yet developed the kind of staff and the kind of service that is needed to give these people the protection that they should have even when they're back out in the community. They need to be seen frequently; they need to have some contact on a

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(MRS. TRUEMAN cont'd) regular basis so that the receipt of the care that they need doesn't depend on their own seeking it out. And with this admonition, Mr. Chairman, I'm prepared to let this item go.

MR. DEPUTY MINISTER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Chairman, the philosophy as spelled out within the Clarkson Report in regards to No. 5, Regionalization — the Community Orientation and Reduced Reliance on Hospitalization is accepted by the Department. I think I've said this before. To implement this at this time it seems unnecessary to assign scarce resources in the fashion of one mental health director to each region. The department has moved to area directors of mental health serving more than one region each. Members of the House, Mr. Chairman, will notice an increase in this appropriation, and we've made provisions for inpatient and outpatient care for mentally ill in the hospitals at Selkirk, Brandon, the Winnipeg Psychiatric Institute, the Eden Mental Health Centre, plus provisions for forensic services and preventative services delivered in the community. I don't believe I need to expand on this, on this point anyway. It has been the practice of our department for the last four years to move in that direction, and I have pointed out statistics of reduction of inpatients at Portage, as an example, over the last four years that proved that we are definitely moving into community care whenever that's possible.

MR. DEPUTY CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I take it whatever support is being given to the various institutions that we have in Manitoba concerning mental health, is under this item. We have a facility at Winkler, the Eden Mental Health Centre, and as the Minister indicated certainly I think the outpatient area is the one that has I think benefited more people in recent years than ever before. I think this is the experience that they have had in the facility at Winkler, that many people have been helped by this facility especially in the outpatient field where they came to the institution for assistance, for help, and it was done on an outpatient basis. Certainly it has helped many people, as indicated, and I think it's a proper way in which to approach the area because we have more and more people with mental illness, far more so than in years gone by. Maybe it's the pressure that is on people today because of this busy world and that as a result we have more mental illness. And I think such facilities as we have in the Eden Mental Health Centre, certainly I think is the right approach, and I think is doing wonders for our people. I certainly would like to compliment both the Eden Mental Health Centre and the government for their assistance in this program and providing this type of service.

MR. DEPUTY CHAIRMAN: The Honourable Minister of Health.

MR. TOUPIN: I would like to inform the Honourable Member for Rhineland who is an advocate of the services being offered by Eden Mental Health Centre that that center is a private community mental health facility in Winkler. It provides for a per diem — the amount that we have within the Estimates here provides for a per diem support at the 1971-72 level of service, plus a retirement of debenture payment of \$20,100.00. So I think he'll be quite pleased to hear that.

There's an increase of approximately ten percent. The Department also provides staff to the center at Eden.

MR. FROESE: The per diem rates are those that are listed on Page 50 of the report which is \$20.13 for inpatient day, and \$12.52 for day patient day, and \$23.67 for outpatient visits. Is that correct?

MR. DEPUTY CHAIRMAN: The Honourable Minister of Health.

MR. TOUPIN: I'd like equally, Mr. Chairman, to inform the honourable member that Eden Mental Health Centre and the Department of Health have a proposal now before Management to put this centre on the global budget so it will give them more flexibility.

MR. DEPUTY CHAIRMAN: (b)(1)--passed, (2)--passed, (3)--passed, (b)--passed, (c)(1)--passed, (2)--passed, (3)--passed — The Honourable Minister of Health.

MR. TOUPIN: I'm sorry if — I think I should revert back maybe to a point. It deals with the Manitoba School for Retardates, and I think it's very important.

MR. DEPUTY CHAIRMAN: Is that agreed that we revert back?

MR. TOUPIN: And the only reason I mention this is because we've been working on this for quite a few years now and we've obtained cost-sharing from Ottawa for the Manitoba Home for Retardates in Portage, which will bring 2-1/2 million dollars to the province. I think this is quite significant. It took a lot of negotiation, and a lot of work on the part of my officials

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(MR. TOUPIN cont'd) and myself--and that happened three weeks ago. It's a cost-sharing of 50 percent of the cost of the operation of the Manitoba School for Retardates, and it will result in an additional annual revenue to the Crown of 2-1/2 million.

MR. DEPUTY CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, on that same item I commented on it a few days ago in connection with a workshop, adult workshop, that we have at Winkler too, and they are anticipating setting up a residence for some of the adult retarded so that they could live right close to the workshop. I notice that they have a considerable amount contained in the estimates for capital for the Manitoba School, and will the Minister consider assisting the Society in Winkler when they come for a request to assist them in capital expenditures for such a residence. They have been giving leadership in this field and this area for a good number of years, and I think they're doing an outstanding work. Most of the funds that they have used have been provided through free-will offerings, and a lot of the work has been done voluntarily, and I feel that this is an organization that deserves support and if large capital expenditures are to be made, assistance will be needed. They sold the facilities to the Unitary Division when they took over certain aspects of the training of the young retarded so that some capital is available there, but I think they will need additional sums.

MR. DEPUTY CHAIRMAN: The Honourable Minister of Health.

MR. TOUPIN: Mr. Chairman, we are negotiating with different groups in the Province of Manitoba now. There will be — well the negotiation will take the form of some financial input on the community level. The department is considering the possibility of picking up the largest portion of the capital expenditure and equally, you know, that based on a per diem it will be negotiated. . . . that will answer the needs of the local communities.

MR. DEPUTY CHAIRMAN: Order, please. It is now 12:30 and I'm leaving the Chair to return at 2:30.