## THE LEGISLATIVE ASSEMBLY OF MANITOBA 1:30 o'clock, Tuesday, May 14, 1974

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 55 students, Grades 5 and 6 standing, of the Linwood School. These students are under the direction of Miss Seipp and Miss Demorest. This school is located in the constituency of the Honourable Member for St. James.

And we have 40 students, Grades 10 and 11 standing, of the St. John's High. These students are under the direction of Mrs. Shklov and Mrs. Dawson. This school is located in the constituency of the Honourable Member for Inkster, the Minister of Mines, Resources and Environmental Management.

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. The Honourable Member for Gimli.

#### **REPORTS BY STANDING AND SPECIAL COMMITTEES**

MR.JOHN C. GOTTFRIED (Gimli): Mr. Speaker, I beg to present the Second Report of the Standing Committee on Municipal Affairs.

MR.CLERK: Your Committee met on Tuesday, May 14, 1974, and heard representation with respect to the various Bills referred to it as follows:

Bill No. 38: J.G. McJannet - on behalf of The Housing and Urban Development Association of Manitoba; and The Urban Development Institute (Manitoba Division). R. Goodwin - on behalf of The Winnipeg Chamber of Commerce.

Bill No. 46: R. Goodwin; Jim Wyndels, as a private citizen.

Your Committee has considered Bill No. 3, an act to amend The Local Government Districts Act, and has agreed to report the same without amendment.

Your Committee has also considered Bill No. 2, an Act to amend The Department of Urban Development and Municipal Affairs Act, and has agreed to report the same with certain amendments.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Gimli.

MR. GOTTFRIED: Mr. Speaker, I move, seconded by the Honourable Member for St. Vital, that the report of the committee be received.

MOTION presented and carried.

## MINISTERIAL STATEMENTS

MR. SPEAKER: Ministerial Statements and Tabling of Reports. The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, it has been my custom that during the sittings of the Legislature that I report insofar as the unemployment figures are concerned for the Province of Manitoba and Canada, and I would like now so to do. Copies of the report that I wish to make reference to, have not been tabled and would be distributed to the honourable members of the political parties.

Mr. Speaker, I'm pleased to announce to the House that Manitoba's actual unemployment rate in April of 1974 was 3.1 percent, the second lowest rate in the whole of the Dominion of Canada, second only to Alberta. This rate of 3.1 is lower than the rate of 3.7 recorded in Marchofthis year, and much lower than the rate of 4 percent of April 1973.

In connection with the seasonally adjusted rate, our rate was 3.1 percent in April of this year, lower than 3.3 percent in March of this year and lower than the rate of 3.9 percent recorded in April of 1973.

In terms of the numbers unemployed. By comparison of March to April of this year, our total numbers of unemployed have decreased by 2,000 to 13,000 by comparison to of a year ago of 16,000. Manitoba's labour force in April of 1974 stood at 416,000 which is 7,000 higher than it was a month ago, and a whopping 14,000, Mr. Speaker, than it was in April of 1973.

Total employment in the province – and I suggest, Sir, that this is very significant – total employment in the Province of Manitoba in April stood at 403,000 people, an increase of

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(MR. PAULLEY Cont'd) . . . . 9,000 over the previous month and a whopping 17,000 higher than it was in April of 1973.

I think the figures that I am now announcing to the House, Mr. Speaker, is indicative of the forward thrust in the economy of the province, of which we are all participants, and that while there is no reason for complacency it is an indication that we are ever going forward in the economy and the advancement of the economy of the Province of Manitoba. We realize, Mr. Speaker, and here I deviate from the figures that I am giving to honourable members, we recognize that due to the increased activity within the Province of Manitoba it may be necessary for us with the co-operation of Canada Manpower, to bring people of expertise into the work force in order that the forward thrust of the economy of the Province of Manitoba is accommodated and enhanced. We are not complacent, the government is not complacent, but we do recognize that on a comparative basis the destiny of this province and the people of this province is being furthered and, as I indicate, not that we are satisfied, but on a comparative basis this province is one of the gems in the whole of the economy of the Dominion of Canada.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, the Honourable Minister of Labour has a very simplistic way of explaining any situation, and in dealing with the question of unemployment he has presented a simple explanation which would indicate positive achievement. But, Mr. Speaker, the question of unemployment and the statistical date we have today has to be examined in connection with the problem of inflation, and has to be examined further in connection with the programs that government have undertaken in the past to combat inflation. And this, Mr. Speaker, I believe, is very relevant to an understanding of the statistical data that we have available to us and for the action that government should be considering and undertaking now.

There's no question, Mr. Speaker, that it was part of a Federal Government policy to carry on a program which provided realistically for high unemployment statistical data or, in real terms, high unemployment as a means to combat inflation. This was certainly not acceptable to the people of Canada and the policy has altered. Mr. Speaker, in order to do this, the Federal Government and the provincial governments have conducted a series of programs which to a large extent could be considered make-work programs, some of which had some socially desirable results, many of which could be questioned both on the basis of socially desirable results and on the basis of the incentive necessary to stimulate people to seek employment, to further their own education, and to develop the particular skills which would provide continuity of employment over the years and a contribution to the economy and to society.

Well, Mr. Speaker, I think that the statistical data produced today puts now into question the whole thrust of government with respect to a whole range of programs in which government have basically sponsored people by way of government-created programs in areas that have been completely unproductive insofar as the economy is concerned, and in turn, by doing this, have to a certain extent, I believe, jeopardized the opportunities that people would have had and should have had to find employment in the economy in jobs and in skills that were required and are available.

Mr. Speaker, there are many jobs available both in the rural and northern parts of this province and in the urban areas. Those jobs are not filled. They are not filled because people are still, at this point, carrying on a variety of different programs that were offered several years ago as one solution to the problems of high unemployment. And I suggest, Mr. Speaker, that the lesson to be learned from the statistical data is not the simplistic version that the Honourable Minister of Labour would have us believe: that things are going well; that Manitoba is the gem; that the thrust is positive. Rather, I suggest, what it indicates, Mr. Speaker, is the need for government to stop its spending, to control part of its giveaway, to in fact start to exercise restraint and to allow the jobs to be filled by people who are now receiving benefits of a program that may have been necessary several years ago but is not necessary today, and government's continual involvement in this program has in fact been a major contributor to the inflationary trend that exists in this province and in this country. And, Mr. Speaker, it is time – and the statistical data will prove this – that the brakes be placed on the kind of government programs that provided make-work with limited social desirable results, which in fact will provide the statistical data that we have today, but in the long run will both undermine

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(MR. SPIVAK Cont'd) . . . . the capacity and the ability of people to be able to handle things for themselves, the jobs for themselves, at the same time to curb the inflationary spiral that we are living under now in this province and in this country.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. J. PAUL MARION (St. Boniface); Mr. Speaker, I would like to respond on behalf of the Liberal Party to the ministerial statement with respect to employment. Without going into great length, it is now a fact that we have virtual full employment. There is in essence little, if any, unemployment in this province. I think that there is a section of the Minister's statement which bears looking into, and that is that section that deals with a number of specialists might now be required to carry on some of the jobs that are presently going for want. I think, Mr. Speaker, that if our party were to give any advice and if the Minister were to accept any advice from our group, it would be that area. I think there is no doubt that we're embarking now on a program of construction in these coming months that will leave a lot of positions unfilled, and for this we are apprehensive and it would seem to us that the efforts of the Minister, and in fact his government, should be channelled in that basic area. There is no doubt that at this stage of the game, now that we have reached the full employment, there will be problems of doing the things that we would want done to keep the tempo of our economy going at the rhythm that it has now reached, because of the fact that many positions will be going wanting. It would seem to us, therefore, that the Minister should spend all of his efforts looking at how best the government can apply itself to filling those positions that are now going wanting.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills. The Acting House Leader, the Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I beg to move, seconded by the Minister of Colleges and Universities, 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 and carried and the House resolved itself into a Committee of Supply with the Honourable Member for St. Vital in the Chair.

### COMMITTEE OF SUPPLY - COLLEGES AND UNIVERSITIES

MR. CHAIRMAN: The Department of Colleges and Universities Affairs. Resolution 33. The Honourable Minister.

HON. BEN HANUSCHAK (Minister of Education and Minister of Colleges and Universities Affairs) (Burrows): Mr. Chairman, at this point in time I would like to respond to some of the questions raised by honourable members. I appreciate the assistance that I am receiving from my colleagues on this side of the House, Mr. Chairman, but I also feel duty bound to provide the members of the other side some information of the activities of this Department of mine. And I would like to commence, or deal with the comments in the order in which they were made, commencing with those of the Honourable Member for Fort Garry. The Honourable Member for Fort Garry, I note, Mr. Chairman, is not present in his seat but I'm certain that he will take the time and he would want to take the time to read my response in Hansard.

He has expressed concern about duplication of university services. Now I would like to assure the honourable member that under the legislation under which the Universities Grants Commission operates, it does have statutory authority to approve or to order discontinuation of universityprograms. In exercising this responsibility that is imposed upon it, Mr. Chairman, the Universities Grants Commission does in fact compare notes with other western provinces to determine what programs are being offered elsewhere, what programs could perhaps more efficiently be provided by having them available at one university in one province or another, and so forth. So hence in that manner, Mr. Chairman, there is really no danger of duplication of university services, nor would it lead to any undesirable or unnecessary competition.

I also wish to point out to the honourable member, Mr. Chairman, that there are no professional schools of colleges, such as architecture, engineering, medicine and the like, outside the University of Manitoba. Now I should make an exception to this, Mr. Chairman, because the Universities of Winnipeg and Brandon are an exception, that is the field of education and the Faculty of Music at the University of Brandon.

### (MR. HANUSCHAK Cont'd)

The Honourable Member for Fort Garry was also concerned about Canadian content, as he described it, represented in the faculties of the universities in Manitoba. Now again I must remind the honourable member that the University of Manitoba operates under its own Act, the Universities of Brandon and Winnipeg under the Universities Establishment Act. That being so, they can, and do, exercise complete independence, freedom and autonomy insofar as meeting their staffing requirements is concerned, and they always did enjoy this measure of independence. And the Universities Grants Commission does in fact state specifially that it will have no role whatsoever in determining or in suggesting to a university whom it should or should not hire.

The Honourable Member for Fort Garry was also concerned about some of our summer student employment programs. Well I wish to indicate to him that the summer employment programs are based on student need, so therefore it becomes essential and necessary, in the course of interviewing the student, to include such information on the application form that would enable us to assess the student's need, because we also tie that in. You know, we look at the --Being conscious of that, therefore, an attempt is made to provide employment, firstly to those who may qualify for bursary assistance, for which need is a criterion. And then after having dealt with those, we may go to deal with others.

Now the honourable member was also concerned about the lack of control of spending, and I'm wondering, Mr. Chairman, whether he is not confusing our STEP programs with some of the Federal programs LIP, ORFREY and others, because others are very specific task-oriented. In other words, the students draft, they design a proposal of a particular project, indicating the amount of time it will require, the amount of manpower it will require, and whatever other expenditures may be tied in with it, so therefore we know, in advance of the commencement of the project, exactly how much it will cost, it'll cost that and no more. Now, I believe he was also wondering whether now-- no, I believe it was the Honourable Member for Assiniboia that raised this question, but I think that the Member for Fort Rouge also alluded to it. These projects are for the benefit of the Province, municipalities, school boards, and for established community groups.

Then the Honourable Member for Assiniboia raised a number of concerns. He suggested that perhaps we should consider some greater, or higher, perhaps allowing exemption up to a higher level of gifts to universities. This is under the gift tax provisions. Well the gift tax legislation, or law, is a federal law and not ours.

He also suggested making greater use of university facilities, of the physical facilities and staff, by operating on a trimester system. Well, you know, there are credits and also debits to that system of operation, althought I wish to assure you, Mr. Chairman, and the honourable member, that some experimentation is proceeded with in this regard. The University of Brandon, for example, will be offering what they call an inter-session, which will allow students to pick up university credits during the months of May and June, and as well as their summer session. The University of Winnipeg is planning a session commencing – a first year session – commencing in the month of February for the benefit of those students who, under the semester-trimester system in high school, may complete their Grade 12 some time in the middle of the school year, and this will enable them to register in University and continue with their studies.

This, by the way Mr. Chairman, the making maximum use of the physical facilities and staff facilities, is one that is being very carefully studied all over the North American continent, has been experimented with in various universities with varied degrees of success, in fact some even with failure. I may mention to you, Mr. Chairman, that the University of Pittsburgh practically went bankrupt attempting to operate on a round-the-calendar, round-the-year basis, because of the additional, I suppose, operating costs, maintenance costs, and staff costs, because staff has to be given holidays. So in other words it's not just a question of, you know, using the same staff and expecting them to work 12 months a year. That we cannot do. And it does increase the staffing requirements and which in turn increases the costs and that certainly is a factor that cannot be overlooked, cannot be ignored.

The Honourable Member for Assiniboia was also concerned about -- he wanted, yes, he wanted to know whether there are any STEP programs, Student Summer Employment Programs, offered in government. The answer is yes. The government programs will provide -- and

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(MR. HANUSCHAK Cont'd) . . . . again, they're project-based programs; they'll provide employment for something in the order of 1, 400 students plus 140 via Northern Manpower, and in addition to that - these are the projects - based programs - but in addition to that, the government departments have need for short term casual labour to fill vacancies created by those taking their holidays, and in some departments the work load increases during the summer months. I would suspect that Highways, and Tourism and Recreation, may be two where that may be the case, and perhaps others, where there may be survey work going on during the summer or whatever. Well, it's estimated, and these too are employed or they are routed via the Youth Secretariat, departmental jobs of that type, or openings, will provide employment for 20 -- for about 2, 300 students. In addition to the community STE P, well over 2,000, about 2,400; rural STEP, about 750, and the summer education program 200, the work study, an additional 50.

The Honourable Member for Assiniboia was concerned about the St. James Collegiate community STEP project, and the facts of it are as follows. Last year, it involved seven students, 7,440 salary dollars and \$2,560 of expenses because, as the Honourable Member desribed the program, there was a material expense, a component, and this was shared, or at least the expense; I believe that the community made a fair contribution to this. This year, based on the population formula - because we attempt to equate the population of the schools to the over-all student population and apportion and approve projects accordingly, this year on the basis of the population distribution, they're eligible for providing employment for the equivalent of five students, and \$4,050 and \$500.00 expense dollars. Now, yes, that's \$500.00 which would be paid out of my department, I should mention that of the \$2,560 expenses of last year, the community was asked to contribute \$2,060.00.

Now the change for this year allowed more students, and I'm speaking on a province-wide basis, allowed more students to be employed throughout the Province on a more equitable distribution basis, and this change was made known to the school in October. I should also remind you, Mr. Chairman, that this is a community STEP project, and in the approval of community projects there are representatives. There is a committee attached to each community that makes this decision and not the Youth Secretariat or anyone else in my department. It was agreed in November, after further discussions between the director of the Youth Secretariat and the one from St. James Collegiate, or the staff from St. James Collegiate who was heading up this project, that any additional support costs that they may incur would have to be borne by the local community of St. James – that is, over and above the \$500.00.

# INTRODUCTION OF GUESTS

MR. CHAIRMAN: Order please. If I can interrupt the Honourable Minister for just a moment, I'd like to direct the attention of the members to the gallery, where we have 21 students of Duke of Edinburgh School in Fort Churchill; they are in Grades 11 and 12 and they're under the direction of Mr. Gembey and Miss Mayner. This school is located in the constituency of the Honourable Member for Churchill. On behalf of the members, I bid you welcome.

The Honourable Minister of Colleges and Universities.

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MR. HANUSCHAK: The Honourable Member for Assiniboia also felt that perhaps the University of Brandon is not receiving a fair shake, as it were, in terms of what accrues to it by way of grant. Now I have the 1973-74 figures before me, Mr. Chairman, and before I give them I should point out to you that one could readily see why the costs at a university such as Manitoba would run considerable higher than those at any other university by reason of the fact that the University of Manitoba has a fairly extensive graduate program and also has a number of faculties which are considerably more expensive to operate than an Arts and Science faculty, and I'm speaking medicine, dentistry, engineering and the like. But, you know, be that as it may, so that of course accounts for the difference. But the average cost, the average grant per standard student, that is for full-time student equivalent, at the University of Manitoba for the year 1973-74 was \$2,281; at the University of Winnipeg – the average grant rather – the average grant to the University of Winnipeg was \$1,345, and to the

(MR. HANUSCHAK Cont'd) . . . . University of Brandon - \$1,785. So, comparing the three universities, I really cannot accept the fact that the University of Brandon was in any way short-changed. And in addition to what I would feel is a relatively favorable grant paid to the University of Brandon, the government, through the Universities Grants Commission, assumed the responsibility for an annual payment of approximately \$133,000 per year on the mortgage of the university's new residence, which will continue for another -- well, it was a 50-year mortgage and there aren't that many years less than 50 still to go. And 50 percent of the university's accumulated operating deficit, which was a further government obligation of approximately \$453,000 and for the year prior to that, while it was the accumulated deficit as of that time, and in the year 1973-74, the University of Brandon, by the way, did show a surplus - not that a university is intended to operate as a profit-making institution. It was a modest surplus of \$60,000 but I think that it does indicate that the University of Brandon, you know, is managing its affairs in a very very businesslike manner.

Now I believe, Mr. Chairman, that the assistance now being given to Brandon University meets its needs very adequately and I think that the 1973-74 surplus is indicative of that. I also note in a recent letter that the Universities Grants Commission received from the president, in it the president states as follows, that the Board of Governors has asked him - I'm quoting him - "The Board of Governors has asked me to write to tell you how very much we appreciate the financial assistance received this year through the Commission." So that, Mr. Chairman, is the story with respect to Brandon University and the Universities Grants Commission dealings with it.

The Honourable Member for Assiniboia also quoted some rather startling and alarming figures of the out-migration of university graduates from the province, and I believe, Mr. Chairman, and my notes are not that accurate, but I believe, that I recall the honourable member having made reference to a particular faculty, that he was speaking primarily of, I think it was Engineering or Architecture, in one of the applied science field anyway, and he spoke of an exodus, of an annual exodus of 75 to 80 percent of the graduates from the province. Well, Mr. Chairman, I had the Universities Grants Commission check with the Alumni Association on what the facts of the matter really are. Is the exodus of graduates from Manitoba as high as was indicated to us last night? And here are the figures:

Of the number of graduates that the Alumni Association has on its membership rolls remaining in the Province of Manitoba: From the University of Manitoba 20,000, approximately 47 percent; from the University of Winnipeg 3,784, or approximately 62 percent of their graduates, remain in the Province of Manitoba; and approximately at the same percentage level from the University of Brandon, of 1,279 graduates approximately 60 percent, for a total of 25,063 or approximately 49 percent – approximately half.

Now, just in the event that this figure may appear -- that some honourable members may tend to feel somewhat uneasy about it, it should be pointed out that many students not originally Manitobans have returned home and that graduates of other universities now reside in Manitoba, and thus the above figures tell only part of the story of the residences of university graduates. Now as the University of Manitoba has almost all the professional faculties, it would be expected that more of its graduates than graduates of the other universities with large Arts and Science enrolments would leave the province, and thus about 50 percent of Manitoba's graduates leave the province, which is considerably lower, Mr. Chairman, than the 70 to 80 percent suggested yesterday by the honourable member.

Another matter of extreme concern to the Honourable Member for Assiniboia was the matter of funding of post-secondary education and the suggestion that the Federal Government ought to assume a greater share of the cost of post-secondary education. Well, members of the committee may recall, and I would just like to deal for a moment or two, Mr. Chairman, to state the government's position vis-a-vis federal funding, and indicate to the House – and I think this should go on record – indicating the effort made by this government to obtain a greater share of assistance from the Federal Government. And I wish to remind honourable members that in April of 1967 the Federal Government introduced a new method of sharing with the provinces their costs for post-secondary education, and this new method was a further recognition of the fact that highly educated people are very mobile and the benefit of the education they have received in one province may accrue to several other provinces during

(MR. HANUSCHAK Cont<sup>1</sup>d) . . . . their lifetime. The costs should therefore not fall solely on the province in which they were educated, but a part of the cost should be a national responsibility.

The instrument for providing this transfer is the Fiscal Arrangements Act, and in its new form it had effect from April 1, 1967 to March 31st of 1972. In anticipation of its termination in 1972, federal-provincial discussions were carried on during 1971 and early '72, and neither the Federal nor the Provincial Governments were able to develop a new proposal which would find mutual acceptance, but all were very much concerned about the rapid escalation in the costs of post-secondary education, particularly in universities. And, lacking an acceptable new approach but with a concern about the open-ended nature of the Federal Government's cost-sharing arrangement, that government decided to extend the former agreement for a further two years until March 31st of this year, and during the interim period both the Federal and Provincial Governments determined that discussions must be carried on looking to the years after March 31st of 1974.

Now because of their desire for a better arrangement, the provincial Ministers of Education and of Finance met and directed that a series of alternative proposals be prepared for their consideration. In April of 1973, on behalf of the Ministers of Education, my colleague the Honourable Minister of Health and Social Development, who at that time in his previous portfolio was chairman of the Council of Education Ministers of Canada, wrote to the Honourable John Turner confirming arrangements for a conference of Finance, Education and Health Ministers, at which the provinces would submit proposals for a new approach to costsharing. And his letter read in part as follows, and I would like to take the opportunity, Mr. Chairman, to read his letter into the record, and I do appreciate the fact that my time, that I only have about three or four minutes remaining and it may take me about five to compare this, and if I could have leave of the House I would like to read the entire statement that is very much a part of . . .

MR. CHAIRMAN: Will the Minister have leave to complete the reading of the letter? (Agreed)

MR. HANUSCHAK: "The proposal" – and I'm quoting from the letter written by the Honourable Saul Miller, at that Minister of Colleges and Universities. "The proposal calls for a transfer of additional personal income tax points from the Government of Canada to the provincial governments in a form similar to the tax abatements of the early Sixties. This tax transfer would be accompanied by a new system of equalization, based on the yield to the highest province, which system would guarantee that all provinces would receive identical per capita yields from the additional tax points coupled with the proposed equalization. A specific number of tax points to be abated and the precise mechanism for implementing this special equalization system would be determined following joint analysis and agreement among the federal and provincial governments.

"In many ways, as you will no doubt have noted, this proposal resembles closely the general joint program financing system suggested by the Government of Quebec at the Federal-Provincial Conference of Ministers of Finance and Treasurers in January of this year, and supported, I understand, by most of the Ministers at that meeting." This year meaning, Mr. Chairman, 1973. I continue with this letter.

"In fact, the specific post-secondary education financing proposal that I have just outlined was derived directly from the Quebec plan, and its continued endorsations by the majority of provincial governments indicates that there is agreement among most provinces that a general fiscal transfer approach should be adopted in developing revised arrangements for federal financial support for the post-secondary program. The primary reasons for most provinces' preference for the fiscal transfer approach are already well-known to you. It appears there is a growing feeling that in the case of this mature program, overly restrictive cost-sharing arrangements may tend to interfere with individual provinces abilities to determine their own priorities, and may deter efforts to achieve greater efficiency and improvement in service.

"These problems were mentioned frequently in recent discussions among provincial Ministers. In addition, there seems to be growing concern about the administrative complexities inherent in many shared-cost program arrangements, including problems related to the definition of sharable costs, of payments and subsequent adjustments, of apparently inconsistent (MR. HANUSCHAK Cont<sup>t</sup>d) . . . . practices in the administration of programs from province to province, and so on.

"Finally, there appears to be general agreement that revised financing arrangements should provide later fiscal flexibility and capacity for the provinces to enable them to meet growing cost pressures related to existing services, and to undertake program expansion in certain areas. This concern is directly related, of course, to many provinces' repeated requests that your government consider implementing a more equitable general federalprovincial revenue-sharing system."

So ends the letter of the Honourable Saul Miller. At the conference which followed, Mr. Chairman, the Federal Government rejected the provincial proposals and the provinces in turn rejected the federal proposals. It was then decided by the Federal Government that the existing provisions of the Fiscal Arrangements Act would be extended for a further period of three years, that is until March 31, 1977, with a ceiling of 15 percent annual escalation and a federal contribution introduced in 1972 being continued until 1977. It is therefore evident that the provinces, including our own, Mr. Chairman, are not satisfied with the share of post-secondary costs being carried by the Federal Government, and that strong and concerted efforts have been made, without success, to secure a more advantageous cost-sharing plan. You may be sure that these efforts will be continued between now and 1977 in the hope that a better arrangement may be introduced at that time.

Now I wish to thank the honourable members, Mr. Chairman, for giving me the additional couple of minutes to complete my comments at this time, and no doubt there will be further comments later.

MR. CHAIRMAN: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): I just want to say a few words on the Estimates of the Minister of Colleges and Universities at this time and I'll be very brief, because looking at the clock and looking at the Order Paper, I see we only have about five hours and a half left on our Estimates before we go into Concurrence on the various departments.

I'd like to say that this past year we've had a change in Ministers in this department. The Minister who was at Colleges and Universities has now gone to Health and Social Development, and the Minister of Education has taken over a dual portfolio, assuming the responsibilities of both departments of Education, both at the elementary and secondary, and colleges and universities. And we see we have a large increase in the budget this year of Colleges and Universities. I was sorry I missed yesterday, and I'd like to know the enrolments of the universities to find out -- I know Brandon weren't any more than holding their own a year ago and I don't know about the University of Manitoba and the University of Winnipeg. But are we having less students in our universities today at a higher increased cost, or what is the enrollment for the present year compared to the year previous?

Mention was made of Brandon University and the part they play in the educational, and I'd like to say a few words on Brandon University because I happen to be a life member of Brandon University and also former board member of Brandon University.

A MEMBER: What's a life member?

MR. McKELLAR: A life member is a man who contributes \$100.00, and if you want to contribute \$100.00 you can be a life member too. I happen to be a life member of the International Peace Garden too, which will be glad to take your \$100.00 any time you want to. For \$100.00 we'll get you on a plaque, put your name on a bronze plaque there too.

Mr. Chairman, I want to say a little about Brandon University because if you listen to the government of the day you'd think that everything that has happened in education has happened since 1969, and I want to say to the government of the day that everything didn't happen since 1969. Most of the programs, most of the buildings and most of the universities and colleges were started during the Roblin Government. I know many of them started previous under the Liberal Government. I want to say a little about the past history, and I remember so well in 1958 when Brandon University, you had to do something about it, and the community got behind and said they'd do something about it and the government of the day said they'd do something about it. The government said they'd put up \$2.00 for every \$1.00 that the local people raised. The local people raised in that community and all across Canada \$1 million,

(MR. McKELLAR Cont'd) . . . . and the government of the day put up \$2 million. And that \$3 million, Mr. Chairman, was the start of all the new buildings that started at Brandon University in 1958. And I want to congratulate the people of that community because I think that they should be congratulated at this time for the initiative and the desire that they had to get behind that university at that time, and I think the people of much of Manitoba will be better off by having that university there, because many students are able to get their university education there that they couldn't have got if they'd had to go to Winnipeg or other universities in Canada.

I'd like to also say a few words on the many community colleges that are mentioned in these estimates, because we all know the names have been changed since 1969. The buildings haven't been changed but plaques were taken off the various walls with the names Roblin and Johnson on it and the names of Schreyer and Miller put on in their place with new names. Mr. Chairman, the buildings and the colleges are doing the same job that they were doing then, even though the government wants to take credit for a new name and new names of Cabinet Ministers on those plaques. But I think those buildings and those colleges that were started in that day, I think that people are proud of those institutions both at The Pas, Brandon, and out here in Brooklands, and I think that those educational -- I would think in my opinion they were novel in those days. They were really novel because they were something brand new. And they've been improved on, I know that, but I think the original intent has been a wonderful thing for the Province of Manitoba.

But as I mentioned, I was really a little provoked and I'm still provoked, and I want to go on record as saying that I think it was wrong; it was wrong. Just because the government of the day decides they want to change the name of a building, I think it is wrong in every regard to change the name of a building when the government changes office. The one . . . up at The Pas, the one in Brandon and the one out here, every one of them are changed with new plaques on them. Did you ever go to The Pas? Did you ever go to the Pas? I was there when the original building was opened. --(Interjection)-- It isn't the same as it is now. Well there's different plaques, different plaques put up, different names. And it's wrong; it's wrong; and I'm going on record. I tell you it's wrong. Do you think that if we become the government that we're going around and change all the plaques of all the buildings that you fellows opened up in the last five years? Do you think we're that kind of guys? I'll say we're not. We're honourable people.

A MEMBER: Hear, hear.

MR. McKELLAR: And I tell you, we don't go around doing those kind of things. I tell you that's not the way to run the government. That's not the way. Be honourable people. I tell you. Do you think we're going around changing all the names every time the government changes? I tell you this is not the way to do it.

Mr. Speaker, I want to say a few other things. We heard the Minister of Labour say how high the employment was today. Why in the name of the world have we got \$5 million in here for student employment? Why have we got it? If the employment is so good he's going to bring people into the province to make employment for them, why have we got \$5 million to employ university students? I can't for the life of me see why if it's all that rosy. But we're contradictory. Every time you get up to speak, another \$4 million here, I think four and a half for student -- no, four million for student unemployment, assistance 5.6 million ten million dollars in here. Ten million dollars for the employment for students in the summertime. Is that the record of the Minister of Labour? That's not the way he told it. The way he told it everybody was employed. Well, why have we got \$10 million in here to provide students?

And that's not the only thing, Mr. Chairman. Look at all the STEP Programs for the high school students, and other employment programs, and bursaries. If things here are as rosy as the government of the day say, why do we need all this money in the estimates here? Taxpayers' money. My gosh, everybody's looking for people on the farms today but you can't hire them because STEP Program hires them; somebody else hires them. You can't get a boy to work on the farm. You can't get them to work on the farm, because everybody else -- and furthermore, you can't pay them enough on the farm to what the STEP Program pays them and other programs pay. This is an actual fact. But I say, if things are as good as what the Minister of Labour, who do we need \$10 million in here to help university students? Why do we need it: I'm speaking as a rural member, one who is paying a great share of the taxes to (MR. McKELLAR Cont'd) . . . . your treasury in the Province of Manitoba, and I tell you, we want to know how that money is spent and we want to know if it's spent wisely, and that's the reason why.

And I want to speak on computers. I want to speak on computers, because the Minister of Education was saying how rosy things were in Brandon. Well that isn't the way I was told it a year ago in Brandon. I was told, I was talked to by university professors, I was talked to by people in the top level of the university, wondering who was going to bail them out, who was going to bail them out. The Minister says today that you're ahead \$60,000 surplus, 60,000. How come the next year they had over a million dollars deficit? How did they have a million dollar deficit? --(Interjection)-- Who bailed them out? Who bailed them out? The taxpayer bailed them out, sure. You didn't bail them all the way out yet either; they've still got a deficit yet.

It isn't as rosy as what you made it out, Mr. Minister. And one of the things about it, the trouble with the universities, they've had a free rein and it's only right they should have. They've had a free rein in spending their money, and I know the other year, I remember so well - I wasn't on the board then or it wouldn't have happened - but they bring speakers from down east, bring them up from down east. They fly them in to Winnipeg. So how do they get them to Brandon? They take a taxi to Brandon, take a taxi to Brandon and then they take them back in another taxi and send them back in another plane. All this at the expense of the taxpayers. And I don't mind if people of Brandon are having a speaker from down east, but why in the world do you need to put them in a taxi and bring them in a taxi all the way from Brandon back to Winnipeg. And this is the expenses that were going on.

Now I think there need to be some controls in the universities, and I realize that you had \$2,200 at the University of Manitoba, \$1,700 for students at Brandon, 1,300 and some dollars at the University of Winnipeg, and I realize that's about double what it was about seven years ago, six or seven years ago, and it'll likely go up again too. But somewhere along the line, are we getting results for our money? Are we producing the kind of students who, when they do graduate from university, that we expect them? The students of Manitoba graduating in Manitoba, are they as good as the students in the rest of Canada? And these are the questions I want to ask. What have we got to compare with other parts of Canada, the other parts of North America, the other parts of the world? How are our universities? What comparison are we using? Does the Minister know these questions, or is he just flying in the dark as he usually does?

Mr. Chairman, I want to ask a few more questions here regarding computer operation on the different courses between the University of Manitoba and the Universities of Winnipeg and Manitoba. Are they all coordinated? What computer -- I know that Brandon were having trouble with their computer there about a year ago. Are they still using the computer coordinating with the University of Manitoba and the University of Winnipeg? How do they blend their courses in? Are they each on their own? Each university operating on their own now, regarding examinations and all that. I know before, in the past, they had to write University of Manitoba exams at Brandon.

Mr. Speaker, I don't want to carry on because other speakers -- we've only got five hours left here now. But I just want to say that the money we're pouring into education in the Province of Manitoba, I guess maybe is about the same as what it used to be in comparison dollar-wise. But I know one of the priorities that we had when we came into office in 1958, that we gave priority to education at that time at all levels, and we did that. And I think we did a darned good job for the people of Manitoba setting the groundwork, building the various buildings, both at the elementary, the secondary level and the universities in the Province of Manitoba. And to listen to the Minister of Education the other day - and I'm just sorry I didn't listen - but you'd think that heaven started in 1969 - heaven started in 1969. Well it didn't do that, Mr. Chairman. The government of the day under the leadership of Duff Roblin, I think will go down in history, go down in history for what they did contribute to the welfare of all the students in our Province of Manitoba and make them better citizens, I think, and many of those people that graduated in the last sixteen years have graduated and gone on to become leading citizens all across our country. I think we're proud of them. And I don't have to stand up and congratulate myself but I think the record will show, the record will show that during that time that much was done, much was accomplished during those years, and I think the people of Manitoba will not forget it for a long while.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Thank you, Mr. Chairman. I realize time is short and I'm just going to come right to the point of my question, and that is, these bursaries that are handed out, I hear a lot of talk among the local people that they don't like the way this is done, they aren't really in favour of this sort of a program. They're more in favour of student loans.

But I'd also like to ask, as the evaluation on student loans, I know that they're supposed to be according to the income tax and papers that are filed and so forth, but I wonder how accurate they really are and is there any cross checking on these papers, because I hear different people in the rural areas saying, "well somebody got a loan and I couldn't." Now I'm one of those who believes that the bursaries should pretty well be done away with except when they're awarded by, we'll say the Legion or the Kinsmen or some special group, where that's some special award. But the way bursaries are handed out, it leaves ill feeling in the country, and I believe that what they should be able to get is loans which they can pay back, and even if the interest rate is low, that's all right. But if education is going to make these children so much better people so as they can get so much better jobs and earn so much more money, they should darned well be able to pay them back and pay the interest on them, and I think that's the way it should be happening.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Chairman, I have a few questions I want to direct while the estimates are still before us on Colleges and Universities, and a number of the points have already been made in the various contributions to the debate, and the Minister has covered some of the items in his opening remarks as well.

First of all, if I can look just at the Estimates Book, I wanted to ask the Minister about what appears to be some shifting in the emphasis of post-secondary education. The universities are up substantially from the previous year, something of the order of \$7 million, from 47 to 54, but the Community Colleges Division are up from 16.4 to 17.8, and with the very rapid expansion that has been going on for many years in that sector of both secondary education, I was curious to know whether the emphasis is somewhat going off the development of the community colleges in comparison to the universities. It's our general understanding that the universities enrollments have been fairly stationary over the last few years when compared to the community colleges, and it is somewhat surprising to see in the estimates that the money allocated is sort of the reverse of that. In other words, the very rapid expansion period of the community colleges served a very real need and have been doing very good work, I think, in the estimation of most people in their general observations about our post-secondary education system; in fact are producing people in the technical and technologies and paraprofessional areas, that have carved out a very recognized spot for themselves in the job picture in Manitoba and in the opportunities picture for those people that are going through the colleges. So I wanted to specifically point out what appears to be somewhat of an anomaly in the money allocation to these two different sectors of post secondary education and ask if there was some fairly straightforward explanation of this different trend.

I notice that your Division administration is up. It's doubled in its requirements. There seems to be a heavy input into administration in community colleges. Your review and development section, which would appear to be a section that is looking towards the future, is down from 300, 000 to 229, 000, and the Red River Community College, which is the very largest of all the community colleges, itself is absolutely stationary at 11.6 million last year and 11.6 million again this year. Now whether there have been shifts out of these different categories, if there have not been, then it means that really the Red River Community College in terms of budget is slipping backwards rather than holding its own even when one considers the rate of inflation.

And the other, Assiniboine College is up probably relative to the rate of inflation, and Keewatin is up slightly, and your Special Programs divisions are up, but there are anomalies that appear in these estimates, particularly with regards to Red River College and your development sections of your department.

So those are the questions that pertain directly to the estimates before us that I would like to get some indication of what direction we're taking in post-secondary education and whether the Estimates Book do in fact reflect that.

#### (MR. CRAIK Cont'd)

I want also to make a few comments about the Task Force Report on post-secondary education. In general terms, I'll reflect mostly the concerns that arise from it. I notice first of all that the post-secondary report recommends a new structure with regards to administration, and places another level of administration between the Minister and the postsecondary institutions, and I know that concern has been raised about this by people who are in the post-secondary field, and that their concern is that the communication between the universities in particular and the Minister's office is not considered to be more than adequate at the present time, and they're concerned that by the imposition of a commission on postsecondary education, that there's an extension of the administrative wing, which will make it more awkward than it is at the present time for the universities to communicate directly with the Minister's office. And of course it brings into question as to whether or not the Universities Grant's Commission has not been performing an adequate role in that respect.

I think, Mr. Chairman, that it's probably time to be considering giving the colleges, particularly Red River College, its own board of governors, or board of directors, whatever you want to call them, and putting them out at arm's length in the same fashion that the universities have enjoyed that privilege for many decades. But the structure that's proposed in the Task Force Report would not appear to do that. Rather, it would set up a commission that in turn deals with the colleges, the universities and a Regional Affairs Division that presumably would be created from some of the functions now carried out by the other institutions.

So, Mr. Chairman, there is concern about that, about whether any real good can be done, any improvements can be brought to bear by imposing another level of administration between the Minister and the post-secondary institutions. And I would raise the question as to whether or not the state of maturity of Red River Community College is not at the point where some of the problems might be solved by bringing that particular body into a category similar to the universities.

Mr. Chairman, also, the Task Force Report brings into question the accountability of the universities in particular, and I think the universities have answered that to a very large extent, although they've put a fairly narrow interpretation on the word "accountability." They appear to be concentrating in their reply to the Task Force Report on financial accountability, and I don't think that that portion is strictly financial accountability, it's perhaps what some members of the Task Force may have been after. I suppose I would think that what they're really after is to make the university adaptable, universities adaptable and accountable in terms of the needs of the community rather than an interpretation which would say that they had to be more financially accountable. The universities, of course, maintain that they are accountable because their students, to a very large extent, determine their accountability in academic terms, and the University Grants Commission and the Provincial Auditor look after the other aspect.

But I do see a legitimate concern here on the part of the Task Force in looking at accountability to community, and I think one could probably single out here, in particular, ask the question as to whether the institutions have been accountable in satisfying the needs of the community in providing some of the professional requirements, and one could single out the medical profession here and say that even though the question has been raised for years and years, and perhaps decades, about the shortage of doctors in Manitoba, we have never seemed to have been able to gear up our educational facilities to the point where the doctor supply level could meet the demand level. Now whether we're reaching that point or not, I would doubt whether we still are meeting it. Certainly it has been in existence for many years, and the educational institutions for one reason or another - and one would have to point in this particular case at the Medical College - the costs of operating it have gone up drastically and the money has been directed to maintaining the quality of the institution but certainly not to increasing the quantity of the output. I think that a logical question of accountability can be raised in that particular example, as to whether or not the needs of the community would not have been better served if the monies were directed, if they are a limited supply - and I know they are always - directed towards increasing the number of graduates rather than attempting to concentrate solely on the increase in the quality of the graduates and in the quality of the graduate work. And I'm sure that this applies to other branches, other professions as well,

(MR. CRAIK Cont'd) . . . . and to other areas of training and education in the post-secondary institution. So although I think that the Universities have answered the question of accountability to a certain extent, there still is a gap there and it's always an ongoing problem, I realize of attempting to tailor the university's undertakings to the needs of the community. This, of course, can easily be countered by the universities by saying that the universities' main requirement is one of freedom to do what their pursuit of academic freedom dictates them to do, but there is this question of whether or not they are in all cases adapting themselves to community needs.

I note that the government has increased the bursary supply, although I would note that the undertaking of the New Democratic Party of some years ago, go back as far as the 1969 election, which was to remove tuition fees from the University, has not been undertaken. I don't know whether this is an intended objective still of the Party in power in the government or whether they have dropped that as an objective, but certainly there hasn't been any reduction in the tuition fees and it would appear still to provide a problem for many going to universities.

The one problem that I see remaining primarily with all our post-secondary institutions, is that we still do not have in Manitoba an equality of opportunity for students to get into the post-secondary institutions. I know that there have been improvements because counselling has been extended in the high schools to bridge the gap between the high schools and the universities and colleges. But, Mr. Chairman, there is still a very important gap that exists, particularly in the rural areas, in providing students with a logical transition from the high school level into the post-secondary education field. The post-secondary institutions are located primarily in Winnipeg and then in Brandon, and to some extent in The Pas, but the people, the young people who are going to high school, particularly in the rural areas, still do not have adequate information and a lead-up to making their decision as to a post-secondary pursuit of training or education. And this remains, which provides us still with a gap that provides for inequality in opportunity, and I think that the government, in its role, might well take the initiative here to provide a more adequate transition, a transition facility, I should say, in trying to solve this problem. I think it has to probably be done through means that the universities and colleges have never undertaken. They've always attempted to go out and tell their story to the high schools, but I think that they probably have never really interpreted the real requirements to get to the students, or provided the requirements to get to the students.

Now I don't know what those requirements are, but they may be, probably are in the way of a much more serious effort in terms of manpower and facilities to get the opportunity story across to the high school student. It might be in the way of trailers, it might be in the way of props, stand, information, in conjunction with the counselling facilities that may or may not exist in the country schools. But that story of opportunity is not imparted by way of brochure and calendar alone, and unfortunately this has been the main mechanism for getting the opportunity story across to people in high schools, the people primarily in the high schools of rural Manitoba. So I think that we have here a verygood educational machine, ifyou like. We have a Cadillac of a post-secondary education machine that offers much greater opportunities than ever existed before in the history of the province, but we still haven't equipped that machine with the means to get its story across to the students of the province, and to adequately provide them with the guidance to plan their courses ahead.

Not I know there's been a great deal of debate in the estimates already in the last two days with regards to attempts to guide students at too early an age, that it's impossible to try and guide students at Grade 9 and Grade 10 into particular courses. My main concern here is not that. My main concern is that at the later levels, at the Grade 11 and Grade 12 levels, that the techniques and mechanisms being used are not adequate, and somehow we haven't tailored the right type of mechanisms to solve the problem which is for students to see more clearly the opportunities that lie before them in following a future course of education or training, and I think that that is where the emphasis should be at this point, to try and adapt our educational machine that we have to the people that want to use it.

Mr. Chairman, the other question that I might have, I think can primarily be overlooked at this point, and again I would like to say that in terms of the post-secondary Task Force Report that the concerns that have been expressed by the universities in particular, have been commented on pretty adequately, I think, in their replies, and I think that their (MR. CRAIK Cont<sup>d</sup>) . . . . concerns are failry valid. I feel, myself, from having simply observed the Universities Grants Commission in operation for several years, that it has done a good job in its role, and I think the universities appear to be quite satisfied with it; that to introduce a commission on post-secondary education as a permanent body would not appear to enhance greatly the operation of our post-secondary systems, and I'll leave it, Mr. Chairman, at that point with those comments.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. EDWARD McGILL (Brandon West): Mr. Chairman, I want to just add very briefly to the observations of those that have spoken already in respect to these estimates. I note this is only the second time that the colleges and universities estimates have been debated in the House and I think this is Year No. 3 for that particular department.

I labour under the handicap of not having had the benefit of the explanations of the Minister on his estimates that were given I believe last night in the House, but I did hear what he had to say today and there are still a few questions that remain in my mind.

Mr. Chairman, a point that I have brought to the attention of the House in other years and which I would underline at this time, is in respect to the Universities Grants Commission, and I would say that in bringing this point to the attention of the Minister I in no way am implying any criticism of the present Universities Grants Commission. On the contrary, I believe that the Commission has acted in a very responsible way and I would like to pay tribute to the Commission, in particular to the Chairman, Mr. Scott Bateman, for the excellent work which I believe he has done for the Commission and for the universities of Manitoba.

Mr. Chairman, it appears to me that as the number of universities increase, at least we've had one addition in the past few years, and that when replacements or appointments are made to the Commission it would be reasonable, I think, to consider those with some background other than in the Winnipeg area. It would be useful, I am sure, to the Commission in future years to have someone with some local knowledge in the Brandon area, and to the particular problems of Brandon University. And if replacements are made in the course of time, I would strongly urge that the department consider appointments of people who do have this background and who are able to provide some additional information on the specific and maybe particular problems that are faced by the young and relatively small university in the western part of Manitoba.

In reading over quickly the comments of the previous Minister of Colleges and Universities, he did mention one new program and that was one which would provide special bursary loans for medical and dental students who would undertake to practice in Manitoba but outside of the Metropolitan Winnipeg area, and I think it would be of great interest to the people of this province for the Minister to tell us just how this program is succeeding. The former Minister was impressed with the fact that in the first year they had an unexpectedly large number of applicants, a total of 143, and perhaps it is early to say, and early to assess the benefits or otherwise of this program, because perhaps those who applied for special loans and bursaries will not yet be graduated and not yet have been able to get into practice in the province.

But I do bring to the attention of the Minister some rather disturbing figures which are available on the number of dentists in the Province of Manitoba, and while there are 270 practicing dentists at the present time, only 66 of those are in rural Manitoba, that is outside of the Perimeter of Metropolitan Winnipeg, so that while in Winnipeg we have one dentist for every 2, 200 persons, in the rural area there is one dentist for every 8,600 people. I think this is rather a surprising statistic. So far as I know, it is reasonably accurate as within a month or two of the present time, and so . . . attempting to relate these statistics, the lack of dental care in proportion to population which now exists in rural Manitoba as compared with that which is available in Winnipeg.

Perhaps the Minister can tell us whether we are about to reap the benefits of the special program which was introduced two or three years ago, or whether there are any difficulties being experienced in producing more medical and dental professional people in the rural areas of Manitoba. The Dental Society suggests that an optimum ratio of patients to professional people would be one in 1,500, so even the relationship in the Winnipeg areas falls somewhat short of ideal, but certainly in the rural parts of Manitoba we are sadly lacking in what would be considered even minimum dental care. This does not, of course,

 $(MR. McGILL Cont'd) \dots apply to all parts of the province and undoubtedly there are certain areas where no dental service is available at all, which would distort the over-all statistic.$ 

Mr. Chairman, I'd also like to comment briefly on the building program which would be under consideration at the moment for the universities. I would suggest that probably it is somewhat small in relation to previous programs in view of enrolments which now are more or less static, but there are areas in which undoubtedly some additional building facilities will be required. And one which comes to my attention is at Brandon University where we have a Faculty of Music that has achieved certainly national reputation, if not beyond that, and one which is growing in a manner and at a rate which is perhaps out of proportion to other departments at the University. I am told that their facilities are badly over-taxed and that other facilities at the university do not of course lend themselves to the special kind of programs that relate to the Faculty of Music. And I would like the Minister to indicate whether or not the department is considering at the moment any addition to the present Music Building at Brandon University.

Let me just briefly comment on Special Programs, and I know that other members have noted the sudden increase in the amount for Other Expenditures under Special Programs at Community Colleges. There is a growth of approximately 500 percent in these expenditures for this year. We're up from \$83,000 to \$443,000. Mr. Chairman, does this include the FOCUS Program? Is this part of the reason for the greatly increased expenditure or are there other reasons perhaps that are not apparent to us? Perhaps the Minister, if he has not already done so, could give us some enlightenment in that department.

On Youth Secretariat, I notice that salaries are up perhaps 100 percent. Does this mean that staffing has increased to a great extent, or are salaries up more than what has occurred due to the normal ten percent increase which has been experienced in most departments?

My colleague the Honourable Member for Riel mentioned some of the anomalies which appear to him to be related to the Community College operation, and one which he mentioned and which is quite apparent when one examines the Estimates is the fact that the Community Colleges in Manitoba still operate under the direct control of the Department of Colleges and Universities, while universities themselves are operated and under the control of boards of governors and senates. I'm wondering why this is continuing as a direct control. It sort of flies in the face of the announced policy of the Department of Education to provide more decentralization of the decision-making process in education, more local autonomy, and it would seem to me that if the Minister has not already done so, he should be seriously considering establishment of some local control in the Community Colleges in Manitoba. I do know that there have been Advisory Boards established to assist and advise in the operation of these community colleges, but I suspect that these are not active committees, and I suspect that probably they meet very infrequently and that their input in the total direction of the community college is relatively small.

So, Mr. Chairman, the final point that I would bring to your attention would be that of the general criticism of the Report of the Task Force on post-secondary education, and I'm not going to dwell on it because it's already been raised by other members who have spoken. I see, Mr. Chairman, that you're concerned about the time and I'm prepared to continue following the break.

MR. CHAIRMAN: Order please. The time being 3:00 o'clock, Committee rise. Call in the Speaker.

Mr. Speaker, the Committee of Supply has considered certain resolutions, has directed me to report same, and asks leave to sit again.

#### IN SESSION

MR. SPEAKER: Order please. The Honourable Member for St. Vital.

MR. D. JAMES WALDING (St. Vital): Mr. Speaker, I beg to move, seconded by the Honourable Member for St. Matthews, that the report of the committee be received. MOTION presented and carried.

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

MR. SPIVAK: Mr. Speaker, my question is to the First Minister as Minister in charge of Hydro. I wonder if he can confirm now that, as a result of Hydro studies and the information now on levels, on water levels, that the community at Nelson House will directly be affected by the Hydro plans and to a large extent will be under water as a result of the increased levels to be raised.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I can confirm that as a result of studies carried out by Hydro engineers and others, that there will be an effect on the Reserve lands at Nelson House and also to a degree at the community. If my honourable friend wants precise numerical data, I would have to give that to him in writing.

MR. SPIVAK: I wonder if the First Minister can confirm that it is expected that the water levels will be 30 feet higher than normal, 30 feet higher than normal levels.

MR. SCHREYER: Well, Mr. Speaker, under very infrequent circumstances and under ice jam conditions at their worst, that is possible. On the other hand, I should advise my honourable friend that at the high level diversion for which tenders and contracts were almost awarded in 1969, that if it's 30 feet now it would probably have been 80 feet or more.

MR. SPIVAK: I wonder if the First Minister can confirm when the native community at Nelson House were informed by the government of the level of water to be raised as a result of the Hydro development.

MR. SCHREYER: Well, Mr. Speaker, representatives of Manitoba Hydro have been assigned for many months now to continuing dialogue and imparting of information as it became available with greater precision, to the communities of South Indian Lake and Nelson House, and this process has been going on for several months. I believe that back last January or February and again in March, and again last month, the detailed information in this regard was made known to persons and representatives of the community of Nelson House.

I might add that much of this information was not available in 1966 at the time of the signing of the Canada-Manitoba Nelson River Agreement, nor apparently in 1969 when matters were all set to proceed with the high level diversion.

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

MR. I.H. ASPER (Leader of the Liberal Party) (Wolseley): Mr. Speaker, my question is to the First Minister. I wonder how or if he will reconcile statements he made in the committee last year, Public Utilities Committee, and the statement he made at Nelson House last year when, in repudiation of statements that the Liberal Party had made, he held a pencil up and he said to the people of Nelson House that "you will not be affected that much" – holding his finger approximately two inches from the edge of the pencil. Would he explain how he can reconcile that?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Very easily, Mr. Speaker. That reference was to Cross Lake and the transcript will show that. My honourable friend is about 200 miles out in his geography.

MR. ASPER: Mr. Speaker, to the same Minister. Is the First Minister indicating to the House that he did not say to the committee last year that the people of Nelson House would not be affected by the diversion **a**nd the flooding of South Indian Lake?

MR. SCHREYER: Mr. Speaker, the incident that my honourable friend is referring to, when the reference was made to a change amounting to a matter of inches and in which a pencil was used for graphic portrayal, that was in reference to Cross Lake. Insofar as Nelson House was concerned, I don't believe that definitive indication could have been given inasmuch as the engineering studies were still then in process of being carried out and refined. And certainly there is mitigation possible by way of the building of a weir which, if that is the desired course of action, then the change in the level of Foot Print Lake at the community of Nelson House can be held to a very minimum, practically no change in water levels.

MR. ASPER: Mr. Speaker, to the same Minister. Does the new information that the province obviously has relative to Nelson House – is there any new information pertaining to South Indian Lake indicating that the levels there will be higher than the marks the government originally estimated?

MR. SCHREYER: Not to my knowledge, Mr. Speaker. I should also indicate that we feel that in carrying out the terms of the Canada-Manitoba Nelson River Agreement that we have mitigated by substantial degree the amount and extent of flooding. If mitigation is to be carried out any greater than we have already – and I'm not now referring about social mitigation having to do with housing, etc. but mitigation with respect to reducing levels of flooding, impcunding, and diversion of flow – then it calls into question the very basis upon which the Canada-Manitoba Nelson River Agreement was signed in the first place.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, on the same line of question. Can the Minister indicate what present actions they're contemplating to cope with the problem?

MR. SCHREYER: Mr. Speaker, as I've indicated, representatives of Manitoba Hydro have been in frequent communication with representatives of communities of South Indian Lake and Nelson House, and I believe it was on the 10th of this month that I sent a letter to the President of the Manitoba Indian Brotherhood who had written on behalf of the community indicating a follow-up action in terms of further information and dialogue with the community to see which of a number of alternatives they would prefer. And also yesterday, I believe in the forenoon, the Chairman of Manitoba Hydro met and had a useful meeting with the Assistant Deputy Minister of the Department of Indian Affairs in Northern Affairs.

MR. CRAIK: Well, Mr. Speaker, I'm thinking of how they intend to physically cope with it. Are they planning a dam structure to protect the town?

MR. SCHREYER: Mr. Speaker, certainly it is true to say that it is possible to mitigate the physical problem, it is possible to minimize to almost a complete extent the change in water levels on Foot Print Lake at Nelson House by means of the construction of a weir. On the other hand before this is proceeded with a number of alternatives that could be opened to the community of South Indian Lake, such as moving of Nelson House, such as the moving of some houses, and improvements in housing in the community, are offered as an alternative for their consideration. So that there are at least two viable alternatives.

MR. CRAIK: Mr. Speaker, can the First Minister indicate whether the construction contemplated for control of this is going to have to take place on treaty land?

MR. SCHREYER: Affirmative, Mr. Speaker. That's the information I have that the construction of the weir would best be done on some land removed from the community but on reserve land, which is owned by Her Majesty in right of the Government of Canada.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. MARION: Thank you, Mr. Speaker, I'd like to direct my questions to the Honourable the Minister of Health and Social Development. Has the Minister taken any action to urge the Manitoba Health Services Commission to alter its proposals to reduce the space in the planned Seven Oaks Hospital by 35 percent and to eliminate the maternity unit in that hospital?

MR. SPEAKER: The Honourable Minister of Health.

HON. SAUL A. MILLER (Minister of Health and Social Development) (Seven Oaks): No, Mr. Speaker. The matter is in the hands of the Commission and a committee of the Commission and a committee of the Board of the hospital itself, they are now meeting and discussing these matters.

MR. MARION: To the same Minister, Mr. Speaker. Is the Minister prepared to personally intervene and to suggest to the Commission that the functional plan that was presented on the Seven Oaks Hospital by the Hospital Board over a year ago should be proceeded with immediately rather than the proposals for the reduction of both the space and services?

MR. MILLER: Mr. Speaker, a functional program is one thing, the size of the building around which you then construct that functional program is another. I think it's in the terms of the size that the question of over size has been brought into question. It's not a matter of cutting down the amount; perhaps it's a matter of over design in the first place.

MR. MARION: To the same Minister, Mr. Speaker. Will the construction on this project start in 1974?

MR. MILLER: It is my sincere hope that it will.

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

MR. ASPER: My question, Mr. Speaker, is for the First Minister responsible for Hydro. Could he indicate how many more miles of land might be flooded in the Nelson diversion scheme around Nelson House if the weir were to be constructed, or the alternative programs were to be constructed? How many more square miles of land would be under water than the plan originally called for?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, to put the matter in context I suppose I could indicate that as follows: If the weir is constructed then there would be something in the order of 800 acres of unsettled land that would be inundated; if the weir is not constructed it would probably be in the order of 4,000 acres, and that is to be taken in the context of the entire Churchill River diversion which initially was to be flooded to the extent of about 800,000 acres, which has now been brought down to 200,000 acres, and in that context 800 acres or 4,000 acres.

MR. ASPER: Mr. Speaker, to the same Minister relating to the Federal Government's announcement that it will provide financial aid to the people of Nelson House to make their case on the flooding in court if necessary, has the Government of Manitoba reviewed and reconsid – ered its refusal to grant financial aid to the people of South Indian Lake in making their case legally to the courts of Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I have checked on this with Manitoba Hydro. It is not possible to ascertain definitively that the Government of Canada has in fact officially declared its intent to provide moneys to be used in litigation to attempt to block or stop the Churchill River Diversion. Therefore I wouldn't like to speculate as to whether this may or may not happen. For the moment I choose to believe that the Government of Canada being a signatory to the Canada-Manitoba Nelson River Agreement which specifically provides for diversion of the Churchill River which diversion we have already moved to mitigate in physical terms that if there is litigation it may well be that the Government of Canada will be a party to litigation against which it is litigating and defending itself against one department against the other.

MR. ASPER: Well, Mr. Speaker, to the same Minister. Is it not frequently the custom and the policy of this government and other governments to provide funds to people in need who are then enabled to carry on litigation against government itself, and if that is policy and has been precedented in this government's case in the past, will it consider making financial assistance available to the non-treaty Indians of South Indian Lake so that they too can have their day in court?

MR. SCHREYER: Well, Mr. Speaker, I'm not aware that it is or ever has been policy for the Crown to provide funds for litigation to block or impede the proceeding with an essential public work. The point of the matter is, Mr. Speaker, that in the past and under our expropriation law moneys are advanced to persons, but it is moneys which are then subtracted from the final settlement made with respect to any damages, forcible taking or injurious affection. I'm not aware of ex gracia payments having been made by the Crown in the past for purposes of litigation against the Crown on matters of this kind.

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

MR. ASPER: Will the First Minister undertake to consult his files in the South Indian Lake dispute of 1969 and determine and advise the House whether the Government of Manitoba did in fact, as I understand it to be, provide the people of South Indian Lake with funds to engage counsel to take action, and did take action against the Province of Manitoba, to obtain an injunction, and Hydro to prevent the hearing.

MR. SCHREYER: Mr. Speaker, I will not attempt to put myself in the mind of the honourable the former Minister of Mines and Resources, the Honourable Member for Lakeside who had that responsibility at that time. As I understand it, the policy was, and is still the policy today, that funds are available for legal services in the assistance of preparing of a claim for compensation for damages actually incurred. I am not aware that it was ever the intention to provide funds for litigation in order to stop what was deemed to be an essential public work. And lest there be any doubt about it, a bill of law was introduced into this Assembly in 1969 when it was discovered that moneys provided by the Crown were being used not to provide legal assistance on presentation of claims but to attempt to block an essential public work.

#### 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 16 Grade 5 students of Cranberry Portage Elementary School. These students are under the direction of Mr. Kostynyk. This school is located in the constituency of the Honourable Member for Flin Flon. On behalf of all the Honourable Members I welcome you here today.

# ORAL QUESTIONS (cont'd)

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Industry and Commerce. I wonder if he can indicate whether any employees of his department were given leave to participate in the recent Nova Scotia general election campaign?

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Any employees of the Department – are you talking about civil servants in the Department? I'll take the question as notice, Mr. Speaker.

MR. SPIVAK: Well, Mr. Speaker, any employees who are civil servants of the department.

MR. SPEAKER: The question is taken as notice. The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): I have a question, Mr. Speaker, for the Minister of Industry and Commerce. Can the Minister confirm whether the Campbell Soup Company of Portage la Prairie has filed an appeal to the Canadian Manufacturers' Association asking for their support in stopping the Garrison Diversion because the change in water supply will force the closing of the plant in Portage if it goes through?

MR. SPEAKER: Order please. I do not see that it is relevant what two outside parties are doing to the procedures of this House. The honourable member wish to rephrase his question?

MR. AXWORTHY: Yes. May I ask the Minister then, has he had direct conversation or negotiation with the Campbell Soup Company in Portage la Prairie to negotiate whether their fears that the Garrison Diversion will change water quality, will force the closing of that plant?

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

MR. EVANS: Mr. Speaker, although on many occasions I have had discussions with the Manager of that company, he has not been in communication with me recently about this or any other matter.

MR. AXWORTHY: I could ask the Minister then: Has the Department of Industry and Commerce assessed what impact the Garrison diversion even in its most benign form in terms of the change of water quality would have upon the various industries that feed upon the water supply in the Souris River basin in terms of their ability to continue or maintain their product qualities.

MR. EVANS: No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Thank you, Mr. Speaker. My question is for the Minister of Agriculture. Could the Minister give us an explanation of how long it might be before farmers will be able to market their hogs in a regular manner?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, in the event that the honourable member is not aware I presume they are always marketing their hogs in a regular manner.

MR. HENDERSON: A supplementary question. Is it not so that people cannot bring in their hogs to the packers at this time unless they phone and possibly arrange a week ahead?

MR. USKIW: Mr. Speaker, that is a regular manner when there is less demand than there is production.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. I wonder if he can indicate the policy of the government with respect to leave by civil servants to participate in provincial or federal elections in other provinces.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, we have tried to operate in the manner of greatest amount of freedom of action in a way that was compatible with work that had to be performed. I can't say that we have had any specific policy in respect to whether or not a person wishes to ask for a leave of absence for any purpose whatsoever. It is considered on the exigencies of the moment, I suppose, oftentimes – I shouldn't say oftentimes but from time to time someone in the public service or attached to a ministerial office may ask for a leave of absence for a period of two weeks or a month without pay, in which case unless there is simply an inability to accommodate we try to accommodate.

MR. SPIVAK: Yes, Mr. Speaker, I wonder then if I take the position of the government as being that they will allow a civil servant if he asks for leave to participate actively in the provincial or federal election in another province?

MR. SCHREYER: Well, Mr. Speaker, whether or not my honourable friend would choose to give credit to it I would say simply this: that if a request comes in for a leave of absence without pay and if that can be accommodated in a way that is not disruptive to workload we will certainly try to accommodate. And whether that applies for the purposes that he has suggested or whether it is with respect to someone who wishes a leave of absence in order to contest an election, federal or provincial, there, too, past practice shows that we would try to accommodate.

MR. SPIVAK: Mr. Speaker, I wonder if the First Minister can indicate whether that would be a Ministerial decision, a Management Committee decision or a Cabinet decision?

MR. SCHREYER: Well, Mr. Speaker, that would not be a Management decision unless there is some reason for the Minister to want further guidance that is something which he is in the best position to ascertain in the circumstances of the operation of that particular department. But the over-all policy is to attempt to accommodate providing such accommodation is not in any way materially disruptive of the operations of the particular department or office.

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

MR. ASPER: Mr. Speaker, my question is to the Minister for Mines and Natural Resources. Has he studied . . .

MR. SPEAKER: Order please. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I would just like to advise honourable members that my presence is required at Government House. If there are questions to direct to me I would ask my colleague to take them as notice.

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

MR. ASPER: Yes, Mr. Speaker. My question is to the Minister of Mines and Natural Resources. Has he examined a study made in September of 1956 and revised in 1957 by the Prairie Farm Rehabilitation Administration, and a further study made in 1964 by the Department of Agriculture for Manitoba, I believe, of a plan to and a technique whereby the Souris River could be diverted in such a way as it would not enter the United States and therefore could not receive any salinity or other pollution through the Garrison Diversion?

MR. SPEAKER: The Honourable Minister of Mines.

HON. SIDNEY GREEN, Q. C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I have not seen or examined such a plan. I heard on Saturday in Brandon a proposal of that kind. I will look, Mr. Speaker, to see whether such a plan exists. I have not seen such a plan.

Mr. Speaker, just while I'm on my feet I would like to indicate that the Economic Development Committee, unless there is great objection, would meet on Thursday for the purpose of the Moose Lake Loggers Report. The Chairman of the Corporation of last year is available to present his report and I'll try and have this year's chairman available to answer any questions, because I've indicated that last year's report is very dated and that there is new information now. Unless there is serious objection I'd propose that that take place on Thursday at 10:00 o'clock.

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

MR. ASPER: Yes, Mr. Speaker, to the Minister of Mines. Would he undertake to examine the study I referred to in my previous question and report to the House as to whether or not the plan prepared in 1956 and confirmed again in 1964 would in fact prevent the Souris River from entering the United States at all and thereby eliminating any kind of damage to Manitoba from the Garrison Diversion?

MR. GREEN: Well, Mr. Speaker, I'll undertake to try to have that report brought to my attention.

MR. ASPER: Mr. Speaker, to the same Minister, a final supplementary. Should he discover that the plan is viable can we assume then, or would it be a fair statement that he will communicate this to the United States Government as being one of the options open to Manitoba should the negotiations not lead to a satisfactory conclusion from our province's point of view?

MR. GREEN: Well, Mr. Speaker, I'll consider that but I would indicate to the honourable member that that would be forwarded to the Government of Canada and that the strategy relative to discussions with the United States on the Garrison are such as are co-ordinated between the Province of Manitoba and the Government of Canada as being the prime authority.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I'd like to direct a question to the Minister of Tourism and Recreation. With the government taking over the cost of operation of Assiniboine Park will there be a fee charged to get into the zoo?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. RENE E. TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): No, Mr. Speaker.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker. Would we now proceed to the adjourned debates on second reading in the order on which they appear on the Order Paper.

MR. SPEAKER: Thank you.

#### . . continued on next page

# ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: Bill No. 43. The Honourable Member for St. James. MR. GEORGE MINAKER (St. James): Mr. Speaker, I wonder if I could have that stand please. (Agreed)

MR. SPEAKER: Bill No. 49. The Honourable Member for Rhineland.

# BILL NO. 49

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. In speaking to this bill there is really nothing new in this Child Welfare Act. It is essentially a consolidation and modernization of existing legislation. One might have hoped for a greater emphasis on preventative services to be applied while a child remains within his own family. Regarding the new day care centre provisions the most terms will be in the regulations. What an improvement it would be if the government would see fit to publish the regulations when bills are introduced. Otherwise the effect is that of a blank cheque. We will be waiting to see what standards are set for licensing of day care centres.

The provision for subsidized adoptions will make it possible for a child to belong to a permanent home where a foster family might not be in a position to adopt because of the loss of financial support. There may be many such cases but it will definitely help to some children to find a greater sense of belonging to a family. Hopefully the new description of the role of the review board will decrease the strain between the board and the courts. Previously court decisions had been reviewed and altered as if the review board sat above the courts. At the root of the problem of course was a scarcity of suitable treatment services available for youths. Children's psychiatric services have not had the priority they should. In fact with the government's general position of containing rather than expanding hospital and medical services not much improvement can be anticipated. While we understand that the Manitoba Home for Boys and the Home for Girls are actually expanding we don't see enough effort being made to shut off the conditions leading to delinquency and the need for confinement. There has been little effort by this government to provide early treatment for a child in difficulties and his family. It is necessary to treat the family unit which may be the source of trouble that society has to deal with. Not all parents discharge their responsibilities as they should and it is sometimes necessary for the state to step in in order to protect the child. The right of a child to legal counsel should be strengthened to insure that his interests are protected. This Act says that a judge may order legal counsel.

The Ontario Law Reform Commission's report on family law advocates the establishment of a law guardian who acts for the child and protects his rights in case of an annulment, divorce, a custody dispute or adoption. He attends a trial on the child's behalf and in Ontario they felt that the social workers lacked objectivity at times in their reports. The law guardian would present an independent opinion based on his own investigations and knowledge of laws that applied. I would like to quote from page 266 of that report, that's the report on family law, and I quote, "It is not right to observe that the best interests of a child in a custody dispute do not necessarily emerge from an adversary proceeding between rival contestants." This report from the Ontario Law Reform Commission makes very interesting reading. It is written by lawyers who recognize their limitations and feel that behavioral scientists might have a very important contribution to add. In contrast to existing Ontario legislation, Manitoba's old Act even looked good.

There was much concern on their part to remove the term "illegitimate child" from the statutes, and I quote from page 25 of their law. "Whatever the original reasons were for setting apart the child born outside marriage, be they economic or moral, we cannot perceive any factor in modern society which justifies laws which perpetuate this discrimination." They feel that all children have equal status. Apparently an enlightened Progressive Conservative government has already looked after this in Manitoba, since there is no reference to illegitimate children in our statutes except perhaps by oversight in the Devolution of Estates Act. That's (b) 70, Clause 15; and the Vital Statistics Act, Clause 4, Section 3.

The term "child born outside marriage" is less odious. To remove the stigma of being set apart outside the law these acts should be amended. A tricky situation arises when a parent of a child, say a mother, marries a person not the natural father of the child. When adoption occurs, the natural parent loses all rights. Therefore the natural mother, as well as the new spouse, must adopt, that is adopt their own child. The new Act deals with this briefly and it (MR. BROWN cont'd) . . . . may not be clear enough what the consequences are of not doing so. Hopefully, the agencies involved in adoption procedures see that this is done. This is Section 100, page 34.

It is curious that a clause regarding the liability of a homemaker is left out of the new act. Is this an oversight? Protection against suit is provided for others who bear the responsibility for children in their care, and this is the old act, Clause 19, Section 4.

I'd like to make another observation and that is that the act deals in some detail with the matter of medical treatment for a child whose parents refuse on religious grounds. In the past, this has been dealt with in a very emotional way, generating more heat than light and riding roughshod over everyone involved. The Ontario Law Reform Commission has left this matter to the Report of the Conference of Commissioners on Uniformity of Legislation in Canada; and let's hope that when their recommendations are presented this very difficult question will be resolved satisfactorily once and for all. Meanwhile, advances in medical science make the whole problem academic with the development of substitutes for blood transfusions.

MR. CHAIRMAN: The Honourable Memberfor Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I beg to move, seconded by the Member from St. Boniface the debate be now adjourned.

MOTION presented and carried.

### BILL NO. 60

MR. SPEAKER: Bill No. 60. The Honourable Member for Rhineland.

MR. BROWN: Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 62. The Honourable Minister of Finance is absent. The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I have a change for the Economic Development Committee. Substitute the name of the Minister of Agriculture for that of the Minister of Consumer and Corporate Affairs.

MR. SPEAKER: Thank you.

MR. SHAFRANSKY: In other words, Uskiw for Turnbull.

MR. SPEAKER: The Honourable Minister of Health wish to move the motion for Supply? HON. SAUL A. MILLER (Minister of Health & Social Development; Minister Responsible for Manitoba Housing & Renewal Corp.) (Seven Oaks): Mr. Speaker, I beg to move, seconded by the Minister of Colleges and Universities that Mr. Speaker now leave the Chair and the House resolve into Committee of Supply to consider the Supply to be granted to Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair.

## COMMITTEE OF SUPPLY - COLLEGES AND UNIVERSITIES

MR. CHAIRMAN: The Department of Colleges and Universities Affairs. The Minister of Colleges and Universities Affairs.

MR. HANUSCHAK: Mr. Chairman, I appreciate the concern of honourable members in wishing to proceed with the consideration of the estimates as rapidly as we could, and so we should, but I would like to very briefly, Mr. Chairman, if I may, just respond to the debate that had transpired up to this point in time to which I have not had the opportunity to respond to.

Last night the Honourable Member for Lakeside spoke of the Director of the Focus Program, and you may recall, Mr. Chairman, that the way he spoke of it and when he spoke of academic freedom as it related to his particular function, he seemed to have proceeded on the premise, on the assumption that he was connected with a faculty of a university and in that capacity was offering some service to the province. But that was not so. He was in our direct employ, on contract for one year with no provision in the contract for automatic renewals. The contract came to an end, and for the reasons that I have indicated previously, the contract was not renewed, and I wish to repeat again that the decision was my department's, for which I take full responsibility and I was not subjected to any pressure or coercion from anyone. Discussions there were, with all participating groups as to how to improve the quality of the program, how to make the program more meaningful and relevant to the participants, but so it should be. Now perhaps that style of operations is strange and foreign to the Honourable Member for Lakeside because that may not have been the manner in which the previous (MR. HANUSCHAK cont'd) . . . . government operated, but that is the long and the short of it.

Now, the Honourable Member for Souris-Killarney was - you know, I found it rather amusing to hear his reaction to our STEP Program; perhaps he ought to consult with his colleague, member of his caucus, the Honourable Member for Fort Garry, because - and here again I'm speaking only from my notes, but I believe that on this point they're quite accurate, that the Honourable Member for Fort Garry in speaking of the STEP Program, suggested that in fact, he called upon the government for expanding the program. He said that an expanded STEP Program would be welcome.

The Honourable Member for Souris-Killarney spoke somewhat differently of the same program, and it would be rather interesting to know just what the position of the Conservative Party really is with respect to this particular program. He was concerned also about computer co-ordination, and I only touch upon the highlights, Mr. Chairman. Now, through the Universities Grants Commission, the computer services for all universities and colleges operate it as a unit. A new computer was installed at the University of Manitoba for this service last December and the effect of the service is to provide much bigger and much more sophisticated computer facilities for all post-secondary institutions.

The Honourable Member for Pembina, in speaking about bursaries, our student aid program - well I simply wish to state that all students in the province who are eligible for loans are given either all or part of their need in loans. The first \$399.00 of need is all loan. Thereafter, the percentage of loan starts at 75 percent and drops 30 percent at a need of \$2,000.00. After that point, the loan rises to a maximum of 50 percent loan, at \$2,800, that is maximum 50 percent loan and 50 percent bursary. So it would be maximum \$1,400 each. There is cross-checking on data on a sample basis, and also as discrepancies appear in the various financial statistics as applications are assessed.

Now, you know, the thought of giving help only in the form of loans would be, Mr. Chairman, a very retrograde step, in that it would inhibit immediately and most strongly the socioeconomic group which at the present has been prior to the institution of our student aid program under-represented at the universities, and this ratio of proportion of underrepresentation is decreasing through the assistance of our student aid program; and they're the ones of the lowest socioeconomic group who have the greatest need for support and who have the least capacity to borrow.

The Honourable Member for Riel raised a point that certainly is deserving of debate, is deserving of considerable debate, and had we had more time at our disposal then perhaps we could devote several hours of debate to the Post-Secondary Education Task Force Report. At the present time honourable members would know that the Task Force Report has not been adopted as government policy and this certainly would be an ideal time to hear the views of the Opposition, to hear their reaction to the recommendations. Whether honourable members would wish to devote another few hours to debating the Task Force is up to them. As has been said previously that estimates debate time is largely for Opposition members to analyze and scrutinize the estimates, and of course to do that effectively also necessitates government to explain its programs, and it's certainly an opportunity to examine and to question governments future planning, and also to express its reaction to it.

In speaking of the Task Force Report, the honourable member made reference to accountability, and he is quite correct that accountability means more than merely thinking in terms of dollars and cents but also adaptability to community needs, and that is extremely important. And the financial proposals of a Task Force were designed to isolate the various aspects of the operation in order to provide support on a firmer base.

He asked about the supply of doctors and I just wish to take a couple of minutes, Mr. Chairman, to - the Supply of doctors and he was primarily concerned about what impact the special opportunity bursaries have had on the supply of professionalists in these two fields. Well, in the figures that I have here, and this is a just very brief comparison, I just wish to relate to you the location of practice of recipients of special opportunity dental bursaries who received their doctor's degrees in the year 1972 and '73. In 1972, there were - yes there were nine graduates practicing in Manitoba; six located themselves in the province excluding Winnipeg, two in the City of Winnipeg; and one of those two by the way, has set up a satellite practice outside the city, and one is deceased.

In 1973, of the 19, and there was one who withdrew from the course, which is included

(MR. HANUSCHAK cont'd) . . . . in the count, nine are practicing in Manitoba outside Winnipeg, three in Winnipeg; and of those three one conducts a satellite practice outside the city. Three are in Winnipeg providing greatly needed services, and they would likely be employed in various clinics dealing with either CORE city people in providing services for people who could not normally afford to find their way into a dentist's office as those higher up on the socioeconomic ladder may be able to do. Three are in Canada outside the Province of Manitoba.

Now the story insofar as dentists are concerned, with reference to doctors in 1972. Location of internship; 34 in Manitoba, three in Canada but not in Manitoba and five in the United States, for a total of 42. In 1973, 36 in Manitoba, five in Canada outside the province and five in the United States, for a total of 46. The location of practice: five in Manitoba excluding Winnipeg – this is of the '72 graduating group because the '73 graduating group is not as yet practicing medicine because they are completing their year of internship; five in Manitoba excluding Winnipeg, four in Winnipeg, again providing highly needed services; eight in private practice and three of the eight also provide the highly needed services in the city. So that gives us a total of 17, and 18 are continuing their training, for a total of 35, and four are outside the Province of Manitoba but in Canada, and three in the United States. So of the seventeen in the active practice of medicine all with the exception of five are either practicing in rural Manitoba, or if they are in the City of Winnipeg they are in the highly essential service areas.

Then the Honourable Member for Riel spoke about our community colleges and of course so that - yes, and so did the Honourable Member for Souris-Killarney and his concern was nameplates on the building. I must confess, Mr. Chairman, but I really don't know - I regret that the honourable member is not in his seat - I do not know what nameplates he's referring to and I feel absolutely certain that no nameplates were removed. That is if we're thinking of the same nameplates. If we're thinking of the name of the building that appears on the outside that's one thing. Changes in names of buildings have come about; this is nothing to do with what government is in. Now I could understand, appreciate the honourable member's concern if the day after we became the government we named Red River Community College as Woodsworth Community College and Assiniboine as Knowles Community College and another one as something else but that wasn't so. The name of the institution was changed to Community College to reflect the type of program that it now offers. And that's the long and the short of it.

Now the honourable member who is speaking from a seat not his own, I'm not really paying any attention to him. If he wishes to make a speech he knows where his seat is and he can return to it and I'll be glad to yield the floor to him, and then I will hear what contribution the honourable member wishes to make to the estimates debate. But from where he is I'm not paying any attention to him, Mr. Chairman. And I am glad that you agree with me, Mr. Chairman.

But if the honourable member is referring to nameplates and plaques that are mounted in commemoration of an opening of a building or whatever I'm sure that all of those plates, plaques, whatever one wishes to call them are still there and different names appear on different ones as they do in this building. There are various plaques around the Legislative Building commemorating certain functions, certain events and the names of the premiers of the day or of the Ministers of the day whoever may have participated in that ceremony are still there.

Now with respect to the growth of community colleges, well the period of the most rapid growth of community colleges is past, but new courses are coming on track and a number of them. So on the one hand there's a tapering off but then new courses are attracting other students who previously would not have had an opportunity, there wasn't a spot for them because there wasn't anything of concern, of benefit or of value to them that was offered that they could take advantage of, so the two sort of tend to even out. And then of course one must remember that the enrollment for many of our community college programs is directly related to the willingness of the Federal Government to purchase man power training programs and to a large extent is dependent on that.

Now the Honourable Member for Riel also did mention the fact that – yes he made two points. One, he commented upon the appropriation to administration. Now the reason for that, it's not a doubling of staff but you will note that there is a – well the reason is that the

(MR. HANUSCHAK cont'd) . . . . computer service which formerly was connected with and appeared in the Estimates Book under the Red River Community College appropriation which amounts to \$461,000 has been transferred to administration. So hence the increase. And this of course reduced Red River Community College's appropriation by that amount, subject to the inflation factor of course which had an off-setting effect on that.

He also commented on research and development. Now earlier the research and development function had to be centralized because of the need for co-ordinating the growth and development of all the community colleges in the Province of Manitoba as well as operating in many areas in a co-ordinating capacity with other departments that were closely involved. In the formative years it was building these needed linkages and now it's reached the point where full multi-year planning is going on at each college and each college does its own research and development because each now has the capacity to function in this manner. So therefore, Mr. Chairman, planning is growing strongerbut it's true that the research and development budget is smaller as the colleges and other agencies are sharing in the effort.

The Honourable Member for Riel - computer centre? No, I've commented on that. Now with reference to counselling on careers and opportunities that a university education may provide, making such a counselling service available or more extensive in rural Manitoba. You know, I must agree with the honourable member and I'm sure that never will we reach the point in time when we'll be able to say that we're doing everything that must be done in terms of familiarizing our students with all the career openings that they have at their disposal. And even if one were to provide all the information that one has and provide it in a most appealing and attractive manner it's still doubtful whether one would be able to reach each and every student, because we're all human beings and young people are certainly no different from ourselves in this Chamber, that,you know, we can look into the future so far and beyond a certain point well the degree to which we prepare ourselves for it you know tends to decrease the farther that point in time is away from us.

But whatever has been done in the past this not only is continuing but it is expanding by way of attempting to inform the students of the programs available to universities through a more aggressive advertising campaign. The University of Winnipeg, for example, has made a film for showing in rural areas. Brandon University has 22 students working on a STEP Program to deliver information about Brandon University to rural Manitoba and in the north. Red River Community College has a trailer which has been moved around Winnipeg during the winter to shopping centres and will be going out to rural Manitoba during the spring months and next fall. An admissions conference was held earlier this year to include the three universities, three colleges, students, teachers, trustees, counsellors and others met to discuss ways and means in which better inter-relationships could be promoted and information with respect to admissions procedures could be disseminated more effectively.

The 36 Grade 12 students of Frontier Collegiate have been guaranteed jobs for the summer in the Youth Corps and will receive special help but information regarding post-secondary education and this will be one of their responsibilities as part of their job for the summer.

The Honourable Member for Brandon West - I wish to touch upon, reply to some of his concerns. The honourable member did make reference to the Brandon School of Music and I'm sure the Brandon School of Music is no different than any other faculty in any other university. It is an extensive faculty and there is always pressure for improved and expanded facilities and it's a question of rationalizing its needs with whatever space may be available, making maximum use of it and then planning accordingly, which essentially is the responsibility of the - and this is something to which the Universities Grants Commission will have to address itself to, dealing with this matter.

He mentioned the fact that the Youth Secretariat salaries item appears to have doubled. Now the reason for that is that the work study program has been transferred to this appropriation which amounts to \$322, 000 and hence what appears to amount to a doubling of the appropriation. Now he also wanted to know about special projects. Now if the special projects – you know, Mr. Chairman, I could speak for two hours on special projects, or more, and even then I doubt whether I would complete what ought to be said. But just very briefly if I just may list them: IMPACTE, to train Indian and Metis people in regular teacher trainings for education program within three years. That's the rural and the Winnipeg Centre project to

(MR. HANUSCHAK cont'd) . . . . examine and to diffuse types of practices and programs in Winnipeg Centre which will enhance the potential of education for each child. Then the new careers, to provide human resource development through a positive employment program, to help disadvantaged persons enter the job market, especially in the area of high need and human services. The special teacher training projects - yes, IMPACTE, Winnipeg Centre Project, the Special Mature Students' Program which was established in September, 1970, designed to provide access to disadvantaged peoples in degree programs at the university level. And since its inception in 1971 has taken on new emphasis with more students enrolling in a Bachelor of Education program in preference to Arts and Science. And it has two principal objectives. One, to deliver university level programs to persons who traditionally have not had the opportunity for such experience, and to develop and apply personal financial and remedial support that will ensure the success of these mature students.

Now, as I indicated when we returned to estimates after second readings, Mr. Chairman, I wanted to respond as briefly and as precisely as I could to the points of concern raised by honourable members and I will end my remarks at this time.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. McGILL: Mr. Chairman, the Minister has responded to some of the queries which I put to him prior to the question period and he did respond in respect to Special Projects but there was the item under Community Colleges Division of Special Programs and I was extremely interested in the tremendous increase in the other expenditures under special programs, community colleges. Would he also, too, give us some reply in respect to the apparent anomaly in the control of community colleges which now exists in the whole education system, that of the direct control exercised by the Department in community colleges where we have the University Grants Commission in respect to universities and we have school divisions in the public school system. So, Mr. Chairman, I think this is an area in which we have apparent conflict of the statements of the Department and the Minister and their concern for some decentralization of the decision-making authority on education. And where does it come in the community colleges division? Is there nothing other than those advisory committees which were set up and which I believe are somewhat inactive. I don't think that they meet on a regular basis and it seems to me that as the Member for Riel pointed out that there is some merit in having a board of governors of community colleges, at least some regular local input into the activities of these community colleges.

Mr. Chairman, I had left off just before the break in attempting to make one or two comments on the report of the task force on post-secondary education and it is unfortunate as the Minister says that we don't have an opportunity to fully debate this matter. It has not become policy I note and there will be perhaps other opportunities for the opposition to present its views. But let me just underline those that have already been mentioned, those few that have been mentioned on this side of the House, and that is in respect to the proposal that another level of control be provided between what is now provided by the University Grants Commission and the Department, and that is the Commission on Post-Secondary Education. I would look at that proposal with a great deal of reserve at this stage at least until we hear more reasonable explanations of why another structure is necessary in the field of post-secondary education.

I wonder, too, if the Minister might give us the benefit of his explanations on the subject of the enrollment of students in Veterinary Medicine in the University of Saskatchewan, Saskatoon. With a growing need for doctors of veterinary medicine, in our province we are very much concerned about the difficulties that have existed in the past of achieving the acceptance of the proper number of applications from Manitoba students at the University of Saskatchewan, Saskatoon in the Faculty of Veterinary Medicine. I understand that the Faculty is being enlarged. I ask the Minister to comment on whether or not we do have some measure of reciprocity in respect to the enrollment of out-of-province students. I know we have restrictions in Manitoba in Dentistry and there may be other faculties in which certainly a great priority is given to in-province applicants. But, Mr. Chairman, it's well known that other provinces in Western Canada do contribute in a greater measure than the Province of Manitoba does at the University of Saskatchewan in Veterinary Medicine; I would wonder if we're not somewhat behind the times and that we're not giving some support directly to the Veterinary School at Saskatoon, so that we can have full measure of acceptance from applications from this province. This seems to me to be an urgent requirement if our beef industry in Manitoba (MR. McGILL cont'd) . . . . is to grow and to receive the proper support from the services that are required in Veterinary Medicine.

Mr. Chairman, I accept what the Minister says about building programs at Universities and that which I specifically asked about, the Faculty of Music at Brandon University, I think it's a special situation in that it has achieved a reputation and is attracting applicants from across Canada. It needs a third level to its Music Building. I wonder if an application has been received from Brandon University for consideration here and if some special consideration is being given. I think enrollments in most other departments may be somewhat static or perhaps increasing at a rate that is much less than was anticipated three years ago when the former Minister of Colleges and Universities presented the first estimates of this department.

These are a few of the things which I think from my previous remarks were left unanswered by the Minister in his last responses.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Chairman, I would like to say just a few words on the debate or the discussion that has ensued thus far on the estimates of this particular department. I hadn't really intended to say anything on this particular issue because I feel a certain restraint considering that I guess I have spent and still spend most of my time in the University environment and would feel it would be a little too obvious to make any kind of assessment at this point, but I feel that I must do something which is probably a highly unpopular act and that is to rise to the defense of higher education in this province. I know that anyone who attempts to do that at least in these days is somewhat courting disaster because it is not an issue or an area of expenditure or public support that in any way enjoys the same degree of enthusiasm it did back in the wild carousing days of the 1960s when we were sort of rushing madly to build more, bigger and better, and hire more people and the push was on and everyone thought that the way to achieve economic and social success was to have everyone come to a university or a community college. But I think, Mr. Chairman, we live in the hangover from that period now and it's a very cold and sobering period at that, because it has led to I think a number of serious trends which in many cases have over-reacted to some of the excesses of that period but pose some very serious problems for those who are involved in higher education in this province and in provinces throughout this country.

The first concern that I have is I guess what I would really call the washing machine philosophy of higher education which has been emergent in several discussions, and that is somehow you measure the product of the university, of the community college in some assembly line terms - numbers of people produced per dollar - number of dollars spent per classroom, kinds of quotas that send all these sorts of quantifiable measurements to determine whether we're getting full value for the dollar. I think it was the Member for Souris-Killarney who said something to the effect that he wanted to know whether we were getting as good value for our money in this province as other provinces are in terms of, are our students as good, as if you could somehow qualify that.

But I think where it does have some seriousness, Mr. Chairman, is when it comes down to the question of whether that kind of philosophy becomes a determinant of program and policy. The obvious manifestation of it could be in the issue that was raised by the Member from Fort Garry when he spoke about duplication which I think in many cases is a poor word to describe or to apply to the concept of education and higher education. Duplication is not something that necessarily can be measured again in dollars and cents terms, and I think that it is unfortunate that we get into the same kind of practice that General Motors might try to do in terms of differentiation of products when it is not possible. It is absolutely and in no way possible to measure the value of one English department against another, and because there is one English department or graduate faculty or whatever it be, doesn't mean to say there shouldn't be another one because the one that you have just may not be any good or may not be teaching the same kind of quality because English is not a matter of learning how many words on a line or learning how to parse a sentence or learning how to develop a grammar text. English or History or any other subject that you want to name is that you are teaching a subject, you are developing a sense of investigation, an excitement of learning, the ability to begin to seek out, sort of the quest for knowledge and information. And to start measuring these in duplicative terms, in quantifiable terms, simply means to say that you are providing some pre-judgment, judgment based upon normally very bad and faulty criteria to determine whether one is superior to the

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(MR. AXWORTHY cont'd) . . . . . other or one should be doing the other, and while I'm prepared to say that obviously when you have to husband your resources, you must be careful about how they are applied, to establish as an unalterable fact of life or sort of an undying principle of education of duplication, of a going duplication, simply may mean that you'll be cheating students of a good education. I suppose we are learning in this province, day after day after day the serious consequences of monopoly, that I don't care whether it's a government department or a large corporation or a profession, when they acquire a monopoly they become less than they should be; they become lazy, they become sort of indolent, they become uncaring and they create a bad sort of end result, so there is nothing worse to my mind than monopoly. And when you begin applying this formula called duplication, the one consequence is you end up in monopolies. And therefore I would simply raise with the Minister the caution about adopting ipso facto the formula that has been expressed by members of both sides of this House because I think it is a very serious one.

Now that particular problem relates to what is even a more serious problem and I think that is the increasing politicization of our higher education establishments. I think there is nothing more dangerous in a society than to begin to intrude upon what is one of the few remaining arenas in which there should be a high degree of freedom of choice and discourse in ideas. And I don't put the onus particularly or just solely on government. We went through a very exciting but a very serious period in the late sixties when students were highly politicizing the universities and we still see consequences of that. I was in Toronto three weeks ago when a group of radical students attempted to prevent a speaker of Conservative persuasion in the urban field from attending a conference and in fact demonstrated and prevented his speaking, which I think is the worst kind of demagogery and the worst kind of intolerance. We went through that kind of period, even it has permeated the university and has provided a certain caution, a certain timidity on their part. We're beginning to notice the same kind of thing occurring in university faculties and of course most obviously and most predominantly it's happening with the increasing role that government plays in the finance and control of universities. And in part that's the university's fault, that one of the unfortunate parts of our system is that we must now rely in the university and in the community college areas for most of our support from the public purse. I believe that the figures in the Province of Manitoba is something like 80 percent of the cost of higher education is supported by the public purse, about 17 some odd percent or 17-1/2 percent by the student fees, tuition fees, and about less than five percent really by forms of endowments or private giving.

Well, Mr. Chairman, I figure that as a very serious trend, one that I regret deeply, because there is the old adage about he who sort of pays the piper calls the tune, and I don't think governments should be calling the tune when it comes to universities in that respect because slowly, casually, unconsciously at times, they begin to impinge upon the arena of discussion and the arena of investigation and the arena of research, We have seen examples of it in this province in the area of research which is one in which I am Sir particularly concerned about. A year and a half ago when a group of university professors were doing research in an area that could be considered sensitive in a political way, and in the environment, that research contract was cancelled and stopped. It didn't mean to say the research was bad, it was just stopped because it happened to in this case, conflict with a policy or program undertaken by this government. I'm not saying it is this government alone which is doing that but that is reflective of a much wider trend, and that is in the area of research which is a very important area if we are at all concerned about trying to find new truths in this world, there is an increasing control of the application of research moneys by governments. They call it mission research, directed research, controlled research. What it simply means is we'll allow you to do the research as long as you conclude what we want you to conclude, and we don't want people out investigating or making choices as to what they think they should be looking at, or investigating areas that they think are important to be examined and coming up with conclusions which may in fact conflict with what is the conventional wisdom of the day or the accepted policy, program of a government of the day. And it is that kind of suppression if you like that begins to yield I think probably a serious detriment to this community, because one thing that is very apparent in this day and age and that is that while there is a tremendous demand for truth and new ideas, truth and new ideas are very short in supply, and one of the reasons is because we are homogenizing those sort of small islands where at least by tradition (MR. AXWORTHY cont'd) . . . . . we have allowed certain groups of people to explore and investigate all aspects of the community.

So I'm concerned, Mr. Chairman, when I listen to this House several members begin to say how do we adapt university to community needs, and that's a very high sounding phrase, but what it means is who's interpreting what those needs are? Who is the interpreter of community needs or the public interest. Well I keep hearing from the government opposite that they have a mandate, they are the public for four years. Well they represent 41, or whatever it is percent of the public. They have a certain mandate to govern. It doesn't mean to say that they should have a monopoly, and certainly not have a monopoly in the arena of ideas. And if they are to be the sole interpreters because they are the government of what should be explored, investigated, researched and even taught in some respects, then we become a very sorry state indeed, and it is that kind of concern that I hear not just by members of the government but by the members of both sides of this House when they start talking about the issue of accountability.

I recognize, Mr. Chairman, that there is a concern by the public of how their tax moneys are being spent and I think that it is a fair concern, but we would be, I believe, betraying one of the basic traditions of this community if in our zeal to insure financial accountability we at the same time sort of undertook to begin suppressing or controlling or regulating what goes on in our higher educational institutions. That is probably reflective, and I think the Member from Brandon West always spoke about it in terms of the proposals of the Task Force on Post-Secondary Education when they talk about setting up a new intermediate structure to provide better accountability. Well we can also use that word to mean better control, and that is the danger and I would for one, at least put the Minister also in caution that when, if and how his internal task force is to report upon this issue of a new mechanism and he better be prepared very strongly to answer to this question of to what degree are you inserting control as opposed to sort of accountability, because there is a very fine line indeed.

So, Mr. Chairman, I have very strong concerns that have been raised by some of the comments I have heard from people in this House on the question of higher education, because it does indicate a trend, a pattern of development, an emerging effort by the piper to begin and continually call the tune. So the question is how do you get out of that sort of thing? Well, I'm really not sure, Sir, that I have any specific answers at this point. I think where you begin to trace it back to is the area of finance, that obviously that is the connecting link that really makes a difference. Because for those few institutions which have been able throughout their history to maintain independence from public support, or at least partial independence, they have been able to withstand pressures to fall in line, to become controlled, and there are some larger academic institutions fortunately in Great Britain and in the United States and a few in Canada which because of large independent endowments and private monies are able to provide a certain degree of their own autonomy. That is not the case in Manitoba; none of our institutions are capable at the present moment of doing this. I just wish that some Minister of Education or Colleges and Universities in this country would have the guts or the fortitude or the ambition or the initiative to start rather than simply going through these kinds of annual exercises of budget additions, start working out ways that we can encourage the development of private resources and funds for our universities and colleges. I don't know whether it's a matching fund, that for every dollar the university raises the government adds a dollar and they put it into an endowment fund, so that over a period of time you built up a source of independence for it, so it doesn't always have to be coming cap in hand every year and saying, have I been good this year? And sort of, can I get my money this year?

There's another aspect of that which is very important, and that is because of the particular nature of the grant formula that is exercised, it also has a ripple effect into the kind of curriculum that's offered and the kind of teaching that is being given, because the grant formula that is used relates to enrollment. So in effect universities often begin to resemble now sort of, I guess marketplaces or bazaars where you sell your wares, and those with the larger enrollments get the biggest grants and those – particularly if they've got that sort of best of all worlds, those graduate schools which have more points to them, they get ever more money. So of course the ambition is on, and in some way along the way I suppose academic people are human like everyone else, they respond to the conditions set for them and therefore they begin to tailor their program and their curriculum and their teaching to accommodate the financial formula that's set before them. And what it means, Mr. Chairman, is that we, in the

(MR. AXWORTHY cont'd) . . . . universities, have found ourselves oftentimes losing courses which may not be able to attract a sufficient number of students to warrant their existence from a purely economic criteria, but may in fact be worthwhile having nonetheless. You know I am not a teacher in the field of Humanities or the Arts, but I do regret for example that in some areas where certain courses in fields of Latin and the Classics are no longer really being taught with any - sort of widespread, because maybe they can only attract five or six students, and people say, oh isn't that wasteful. You know, you must have a minimum of at least 10 students to justify offering that course.

But if you begin to lose that, then when you go back to the whole question of where we're back on the assembly line formula of education again, that we measure it by sort of the same way we measure how many old sort of washing machines come off the end of the line, as opposed to the basic concept of what education should be in terms of its improvement of people. And I think it ends up in the kind of intellectual authoritarianism that we heard being expressed by the Member from St. Matthews a few days ago when he was talking about, you know, putting the rod back and getting rid of all this progressivism and all that kind of thing. Well the fact remains that is just sheer nonsense and if we allow that kind of talk to go on, then we are really going to destroy our educational system because what we are beginning to forgo is that in an age which is changing, in which the man is no longer simply learning by rote, or by discipline, or by memorization, but really needs a flexibility of mind and an openness of approach in an innovativeness in spirit, you don't get it by lining kids up in a bunch of little rows of desks and saying, "Now at 9:20 we're all going to repeat after me." You . . . by letting people explore their ambition and their intelligence and to open up and develop a wider range of pursuits.

If the grants formula that we have established begins to provide in any way that kind of restriction in our higher sources of schools of education, then again we are simply producing for the sort of organizational society, not producing for the individuals who are going to those schools. I think that is probably the most tragic aspect of the way higher education is going is that we are in many cases in allowing the objectives and goals of our institutions to be determined totally by what is required on the outside, by the job market, by the organization, by the government Civil Service, and not by the intrinsic worth of what is being taught inside that classroom in itself.

I think, Mr. Chairman, that also applies in some respects to the community colleges. I would think, as I believe the Member from Riel brought forward, serious examination should be given of the governing mechanism of the community colleges, because what is going on in there now is not simply technical or purely vocational training; it is also education in a very classic sense of the word. I'm not so sure that we have our teachers in community colleges civil servants of the Province of Manitoba. I don't think that's a good program, because I don't think that they should be expected to adhere to the same kind of organizational principles that are adhered to in the Civil Service. Again, I don't think that is being a full teacher as when you sort of have to adhere to kind of the norms and stands of the bureaucracy as opposed to sort of the classrooms. And yet that sort of is the way it is presently organized. Again if we are trying to sort of open up the educational system to let it flourish, then I think that that simply acts as a restriction at the present moment.

I think the same thing is true in terms of, how is it governed? I don't think it should be governed, again by committees of civil servants but should be governed by its own board of governors in each case with the community colleges, so that they can choose their own needs and establish them very well.

Finally, Mr. Chairman, I would just like to make one comment about the area of student aid and bursaries and loans. I would like to begin first by presenting a compliment to the Minister and to his staff within the Student Aid Office for the kind of services that they provide. I have a number of students in my own constituency and through the foul-up in the computer last year, many of them didn't receive their student aid packages until many cases, four, five, six months well into the school year, and I can understand that sometimes computers don't work the way they are supposed to work. But at the same time I would pay credit to Mr. Davies, who is in charge of that division, for the extreme co-operation he gave to me and to many of the students who had to seek redress of their problems.

But it still raises the question - I don't think that we have still established what we're trying to achieve through this whole student aid program. I've read some very brave words in

(MR. AXWORTHY cont'd) . . . . the past by members of the New Democratic Party, many of which I agree with, talking about the equality of educational opportunity. Well, if that's the intention through the bursary and loan and student aid program, then I don't think it's being achieved. Now I can't provide any definitive evidence on that, other than one of personal experience, both as a teacher in a university as well as a member who deals with a number of students. But I don't think at the present moment that our student aid system really is at this stage providing the complete assurance and guarantee to any student in the Province of Manitoba that wants to attend an institution of higher education that he can do so. That simply to begin with they don't provide enough, that in fact the kind, even under the improved program that the Minister announced, it still just barely covers tuition costs, and in many cases sort of doesn't really enable them to continue a full year.

And there are all kinds of anomalies in this system. This whole question of is a student independent or not? Does he have to have his parents sign for him? What's his parents' income? Well in the way that the system is changing, many many students no longer live at home and yet their parents' incomes are included as part of the calculation. There is this curious division which I've yet to figure out between the Department of Health and Social Development and the Department of Colleges and Universities where they split the forms of assistance. It would seem to me to make an awful lot of sense of having that consolidated, and whether it's giving it to **o**ne department or the other, I don't really care. But the fact of the matter is I spend an awful lot of time personally working on behalf of students or people going to school, simply trying to chase down who is responsible, and going back and forth between two departments and working the thing out. And it would seem to me that that would aid the problem, and probably it would assist us generally if we got back to the issue of what's it going to cost to ensure that everyone can go to school if he wants to so choose.

We now spend, I believe, in the estimates just about \$5 million for the full student aid, bursary program of going along with the student loan program. I suppose out of a budget of \$800 million one could really question whether that is being given all the priority it should. That if in fact considering the amounts of money we spend on other things, and the amounts of money that we waste on other things, it may be that if we really want to put as a priority a form of universal access to higher education, then we could do it in this province, and therefore ensure that those, particularly in lower income and working class families and rural families that in many cases are prevented from going for economic reasons, would no longer feel any inhibition whatsoever. It may go back again to the principle I raised before about having this Minister, or some Minister, begin to get himself up on his hind feet and finding out how we can recruit a much greater involvement of the private sector in this form of providing greater assistance and support, rather than again simply going through the incremental budget each year and leaving it at that.

I just don't think, Mr. Chairman, that again we're putting a real push on this issue. I think that we sort of are allowing the institutions of higher education to float slowly into the backwash of priorities in this province, and therefore sort of beginning to lose the sharp edge of asking seriously the question about what we want to do. It is simply not enough--(Interjection)--Well I want to answer the member on this. You don't measure the quality of an operation simply by sort of the X dollars that are being spent, because in many cases we may not be spending that money in the right way, or you may want to reallocate the priorities, but for goodness sake let's start asking the right questions rather than just repeating a lot of hoary old traditions that have been there for the last 40 or 50 years. And that's the issue that should be faced. I'm prepared to debate in any form the importance and vitality and the serious deficiencies in our higher education system. But let's do it on the basis of applying some sort of strong intelligence and putting it on the priority, that education in its full range is probably one of the most important aspects of Provincial Government in this country.

Now I don't think it's enough simply to go year by year sort of you know putting another 10 percent on the budget or another, in this case 15 percent this year. I think it deserves a much stronger sort of set of questions about it than that.

But starting on the basis that it is a priority and we know what we're trying to achieve; and what we're not trying to achieve is a sausage machine that just keeps turning out sort of little numerals at the end every year, so that we can say we've not provided X number of chartered accountants, and X number of doctors, and X number of English teachers. That's

(MR. AXWORTHY cont'd) . . . . not the criteria for judging the excellence of an educational system. And if we begin to fall into that trap, then we might as well sort of, you know, change our system and hand it over to the chartered accountants to run the educational system, because they probably could run it more efficiently. But efficiency in those terms is not what you need to be applying to higher education in this province, what you should be really asking sort of is, to what degree is it providing the quality that goes on in classrooms. I am prepared to say that I don't think that expending large amounts of capital, and so on, are required. I think that in many cases you really don't need rugs on the floors or fancy lighting and all the rest of it. Sure, we went through a period of very excessive frills in the 1960s, and I think part of the consequences is that we are now having to pay the price of sort of living with the frills but not having the essentials, or not having the essentials in the way they should be applied. That's what I really think is important to question as to what degree do we establish a financial system, both public and private, in the Province of Manitoba that will enable first to preserve the most essential ingredient, and that is the independence of those in the universities, the students and the teachers, not only to teach what they want to do, but to research what they have to do and to begin to provide a wide, a source of dissent, a source of alternative ideas, a source of difference, and to provide and recognize the important role that we play in providing that critical faculty to what goes on in this community. Because if you lose the critical faculty of the universities then you're not going to get it almost anywhere else, because we're slowly buttoning up the rest of society so there is no source of innovation and new ideas, and we're all going to have to live by the homogenized truth of the past rather than begin to search out some new ones for the future.

Those are the kinds of issues we should be raising, back to the practical question of really are we financing, applying a formula system to ensure that that kind of independence is created; do we have a Minister at this point who is trying to seek out in this report on the Task Force of post-secondary education, not a way of providing more control but a way of improving the institution. That's the criteria that should be used. And how do we again, sort of, is it possible by changing tax rules or providing incentive grants for it or maybe to begin to bring back in to support of higher education so that the business sector and the private sector, so they can begin also to carry their fair share of the responsibility, which they are not doing right now - because they're kind of getting out of business now and they go off and give O'Keefe grants to sort of provide for swimming instructors, when there is perhaps a lot more important things going on in society that should be going on.

So those are the kinds of concerns that have come to me, Mr. Chairman, as I listen to the remarks in this debate on higher education. I think in some cases we have been in danger of approaching it from the point of view of the engineer or the accountant rather than from the point of view of what is good for education, and how we can, particularly in a time in this province when there has been a counter-reaction to the excesses and flourishes of the 1960s, begin to go back and get a much tougher system; but at least in this province, if in nowhere else, establish the fact that we do believe in the independence of our institutions, and in the area of grants for teaching and research we will bend over backwards to make sure that we do not allow sort of politics to intervene, that we do not allow sort of the youth of those institutions to be used for political purposes, or to provide for some kind of manipulative instinct. That is something that is happening right across the country; it's happening to federal, provincial, and municipal governments that you're all saying, boy we're not going to pay the piper if he's not playing our tune. What I'd like to see is this province take a stand against that trend and show that if nothing else at least we're prepared to say that there should be some, a basic source of dissent that we're prepared to acknowledge, recognize, and even honour in this province.

MR. CHAIRMAN: Resolution. The Honourable Minister of Colleges and University Affairs.

MR. HANUSCHAK: Mr. Chairman, the Honourable Member for Brandon West drew to my attention a couple of uuestions that he was quite anxious to get my response to. Yes. I must apologize to him, that the programs that I listed were special projects and not special programs when I spoke about a half hour ago, the special programs which are being planned and in turn need to be priorized.

Here are examples of some that are being developed at the present time, and I could just list them for the honourable member. These are of varying lengths and which are designed to

(MR. HANUSCHAK cont'd). . . . attract varying numbers of students, depending upon our assessment of the need for those particular programs, and they are as follows: law enforcement, licenced practical nursing, para-legal assistance, registered nursing as a second year for graduates of the licenced practical nursing program, instructional media technicians, plastic technology, travel consultants, community help auxiliaries, mental retardate counsellors, institutional aides, occupational physical therapy assistants, nuclear medicine technicians, public health dental auxiliaries, market research analysts, ambulance drivers and attendants and hospital orderlies, protective service, technical sales and service, inhalation respiratory technicians, avionics law enforcement and corrections, hunting and fishing lodge operators, woodworker furniture assembly, truck drivers, post diploma and refresher courses for nurses, homemaker and child care, basic building construction, fire services training. Those are being planned.

Perhaps I should also mention at this point in time, Mr. Chairman, some of the new course that were introduced this year into the various community colleges, at Red River Community College a one-year course in aircraft maintenance to prepare candidates for entry into the aircraft mechanic trade; dental assistant, a one-year course to train personnel to function as clinical chairside assistants to practising dentists; training for the deaf and hard of hearing. A pilot project was introduced in the fall of '73 at Red River Community College for the training and relevant post-secondary occupational fields for the deaf and hard of hearing. A total of ten students were enrolled in such fields as architectural drafting, child care services, clerical bookkeeping, and graphic arts. Social counselling, a nine months course to provide students of Indian background with training to undertake a variety of counselling support roles in organizations and community agencies.

At Keewatin Community College a course in dental auxiliaries was introduced. This was designed to prepare auxiliary dental workers able to perform advanced skills in public dental service agencies, that will assist the limited supply of dentists in the north greatly to extend their services and devote more time to the more difficult dental – and thus to free up the dentists to devote more time to the more difficult dental care procedures.

Practical nursing, small business management, and also on track for the forthcoming year further courses related to the dental field and training of heavy equipment operators and those that I have just listed by names.

Now the Honourable Member for Brandon West, as well as other members in this Chamber, suggested the allowing of community colleges to operate under their own board of governors and thus placing them on the same footing as universities are. Well no doubt, you know, a very convincing case can be made in support of that position but one must also bear in mind that a community college is not identical to a university, that there are some very significant differences. Perhaps one of the main ones is the fact that a community college or its method of operations has to be sufficiently flexible to enable it to respond immediately to the changing needs and it must be borne in mind that community colleges are very much involved, very closely involved in our manpower training programs with the Federal Government, and as needs become apparent for the need of trained personnel in various job areas then the community colleges have to be able to respond immediately. And I'm quite certain the Honourable Member for Brandon West would appreciate that if one were to establish another policy making group at another level that it would slow down the whole process that much more.

He also expressed his concern about the training of staff or of people in veterinary medicine. Now at the present time the University of Saskatchewan has a Faculty of Veterinary Medicine which is the source of supply of veterinarians for Western Canada and Manitoba has always had a proportionate ratio of students enrolled in the Faculty of Veterinary Medicine to that enrolled from other provinces. We've had, oh anywhere between ten and twelve students enrolled every year and some of these – now some of these return to the practice of medicine in Manitoba, some do not, and this in itself, you know, this is a problem that, I appreciate the honourable member's concern, but this is not a problem that can be resolved just solely by the Department of Colleges and Universities Affairs, this is something that has to be worked out in conjunction with the Department of Agriculture because it's not just a question of having an adequate supply of veterinary students. There are many who go into the field of veterinary medicine today with no intention or desire to practice in the you know, the large animal veterinary medicine, but they prefer the small animal, operating in veterinary clinics in urban

(MR. HANUSCHAK cont'd) . . . . communities looking after pets and this type of thing. In fact I've just forgotten which particular year it is of second or third year but of the Manitoba students a large number of them, if not the majority, are girls who have indicated that they have no desire to practice large animal medicine, that upon graduation they would prefer practicing in urban communities.

I'm well aware of the need for veterinarians in rural Manitoba and so is the Minister of Agriculture. I can assure the honourable member that both I and the Minister of Agriculture are in very close contact with our counterparts in Saskatchewan and I can also assure him that there will be no reduction in the numbers of applicants from Manitoba that will be admitted, and again on a proportionate basis, to those from other provinces and one must also bear in mind that the number of applications for veterinary medicine is quite high, very high. This is only a ballpark guess but I don't think that I would be that far out if I were to say that possibly one out of five or six, if that, is admitted to veterinary medicine of those who apply.

And then, too, we also have to be mindful of the fact that the demand as it appears to be today could perhaps, you know, at the rate at which we are proceeding that would no doubt fill some of the void presently existing and with the expansion of the facility the number of applicants that will be admitted will be increased and hence the void existing will be filled at a more rapid rate and eventually that will taper off, and we are in close communication with the Saskatchewan Government with a view to their plans for expansion and if anything need be done to attract veterinary graduates to Manitoba then that will be done. But the first thing that I would want to do is also determine what number of veterinary graduates from other provinces come to Manitoba. Because you know they're just simply sending a student from Manitoba to the Faculty of Veterinary Medicine in Saskatchewan, that in itself will not guarantee that thereby Manitoba will acquire another veterinarian because upon graduation he may wish to go elsewhere.

The honourable member once again appealed to me about his concern about the Faculty of Music and the physical facilities for it and I well appreciate the honourable member's concern. After all it's a faculty in a university in his city and not only that but it is one that certainly has acquired a reputation second to none in the field of music and his closing remarks were that we should treat the needs of the Faculty of Music as a special situation. Well I suppose each and every one of us in this Chamber can identify certain concerns of ours and make out an excellent case to demonstrate that those concerns are a special situation. I'm certain that those who may be concerned about some particular faculty at the University of Manitoba would also present the case to indicate that their concern is a special situation, and so it goes. But the Universities Grants Commission has to examine the over-all building needs and then establish its priorities accordingly.

The Honourable Member for Fort Rouge did indeed raise some very valid points for discussion and points deserving of the time of this House, whether we do have the time or not well this is entirely within the hands of the members of this House how much time we should devote to debating these issues.

Now, you know, some of the questions that he raised are indeed challenging, how do you compare to English programs, one offered at one university and one at another, and he made the point that simply the offering of two programs at two different institutions both bearing the same title, the same name, may not necessarily be duplication of services because the nature of the program may be significantly different depending on your faculty, depending on the exact nature of what is taught.

Now he then expressed concern about the increasing politicization of post-secondary institutions and he also cautioned against government calling the tune. Well at the present time, Mr. Chairman, as you well know there is the Universities Grants Commission between government and the universities. And there is nothing that I can recall from what is recommended in the Post-Secondary Education Task Force report that would in any way put government in greater control of universities than the extent to which we are now. Because after all the universities belong to us and certainly there ought to be some means whereby the people can voice their concerns, express their needs to the university, and at the present time it's through government, government via the Universities Grants Commission. Now whether it's Universities Grants Commission or be it known by whatever other name that measure of autonomy and independence will still remain.

#### (MR. HANUSCHAK cont'd)

And in this vein, in talking about his concern about government control he proceeded to relate that to research and the effect that this would have on research and the desirability for universities to be able to engage, and faculty and students to be able to engage in research of a nature designed to search for new truths and new ideas. And of course that is very desirable, no one would argue with that. No one would argue with the value and the benefit that may accrue from research just for the value of research, for its pure intrinsic value. But I would suspect, Mr. Chairman, that what may have generated some of this concern in recent times is the concern expressed by Ministers of Education or post-secondary education or whatever they may be called in the various provinces of Canada, in recent time our concern was expressed to the Federal Government about the research programs that are presently funded, and in brief our concerns are mainly, are primarily these: is that we recognize that there are research projects that may be of a benefit and value extending beyond the boundaries of the province. There are other research projects which may be of benefit primarily to the province within which a university is situated; and we recognize also the fact that research is entered into in some areas that may be either exclusively or primarily fall within the responsibility of the Federal Government and also within the responsibility of the Provincial Government, and some of joint responsibility, and we would not wish to deny the Federal Government the access to the expertise that our universities have to enable the Federal Government to fund research projects that would be of benefit and value to the country at large. But - what we would like to happen is to be informed, we would like the Federal Government to let us know what research projects they intend to fund and to what extent and how the cost has been arrived at, because from time to time in estimating the costs of research projects all factors have not been taken into account and either during the course of the research project or upon its completion the Provincial Government had found that it was left with an expense item that it did not anticipate. So it's simply a matter of establishing some lines of communication between the two levels of government with respect to research. And at no time have we ever suggested that we wish to become the sole interpreter of what is desirable and necessary research and what is not desirable. But certainly, Mr. Chairman, as the Honourable Member for Fort Rouge agreed, that the bulk of the education dollars come from - over 80 percent - come from the public purse, certainly if we feel that there are some areas deserving research that can be done by our faculties at the university we ought to have access to that expertise.

The honourable member then went on to talk about equality of educational opportunities and also he spoke about student aid, and he said that the Student Aid Program as we now have it is not, you know, the last word in equalizing educational opportunity because it barely covers costs and so forth. Well firstly just in brief let me indicate that insofar as the criteria for student aid is concerned the assistance is in the following order: bursary, loan - oh yes and he also made reference to the split between our department and Health and Social Development. Well bursary and loan first and then Health and Social Development. Well on that matter this is one of the guidelines and one of the criteria established by the Federal Government as part of their Canada student loans programs and hence we are locked into that.

Now just a word about the beneficiaries of our Student Aid Program and who were the recipients of the benefit. And I hope that thereby I would be able to demonstrate to the honourable member and to other members of the House the extent to which we have assisted in equalizing educational opportunity. Over 90 percent of student aid went to students from families with gross income of less than \$10,000. The allowed expenses – and I wish to impress this upon the honourable member that the allowed expenses cover much more than just tuition fees. And I would like to be fair to the honourable member that it may well be that when he used the expression "tuition fees" that what he really had in mind were all costs related to and incidental to attending at a post-secondary education. I would hope he meant that. But if he meant tuition fees in the narrowest sense, then I must say to him that the aid covers far more than that; in fact some 50 percent of our 1973-74 applicants had established needs of over \$400.00, and thus received more help than just tuition fees. The average bursary was over \$700.00, and the average bursary loan combination grant was some \$1, 200 or more.

Now the criteria for freedom from need to depend on parental support are very clear, and last year 1973-74 the criteria for independence they were significantly eased; in 1973-74 some 40 percent of those classed as dependent on parents were not required to have any parental

(MR. HANUSCHAK cont'd) . . . . contribution; this year over 70 percent of the dependent students – and these are those at the bottom end of the income scale – will probably not have to use any parental contribution.

In most cases the division of responsibility between Colleges and Universities Affairs, Student Aid, and Health and Social Development assistance is perfectly clear, as I briefly stated just a moment ago, because the federal rules for the use of the Canada Assistance Plan moneys under social allowances requires students to exhaust first of all any help available through bursaries and loans. So to qualify for Health and Social Development assistance they must first exhaust whatever other sources are available to them, then they go to Health and Social Development.

But as in all other cases there are problem cases which arise, usually with persons who are already in receipt of some form of social assistance, and these cases are being gradually worked out as we continue our close co-operation.

Now it's not possible at present to lend or join the two programs into one because of the restrictions laid down by the federal authorities for handling Canada Assistance Plan money in order that it may be shareable. And we have this problem under continuing study, and I've done a great deal by having the two student aid groups situated side by side at 1181 Portage, where they co-operate closely and constantly.

Now I think, Mr. Chairman, that, as I have indicated before, I will attempt to make my remarks very brief this time around, and I think that that does constitute a complete response to the honourable member.

MR. CHAIRMAN: (Resolutions Nos. 33, 34, 35 and 36 were read section by section and passed.)

That concludes the Department of Colleges and Universities Affairs. The next department is the Department of Industry and Commerce.

### SUPPLY - DEPARTMENT OF INDUSTRY AND COMMERCE

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

MR. EVANS: I'm very pleased to present to members of the House for their consideration the estimates of the Department of Industry and Commerce.

I'd like to make a few general remarks about the thrust of the department and about the program directions of the department to begin with, and then hopefully leave the floor open for detailed questions by members as they so wish to place them and attempt to answer them in due course.

I think if we look back on 1973, all of us would have to agree that the last year was a very good year for the Manitoba economy. We certainly appreciated a very buoyant economy last year, and this is in accordance with pretty well every economic indicator that you can look at produced by Statistics Canada. In fact we were probably more fortunate than most areas of Canada. We had an average one of the lowest rates of inflation in any area of Canada and at the same time we had about the lowest rate of unemployment. Generally therefore, Mr. Chairman, we experienced a gratifying rate of economic growth and prosperity. I'm not going to take time to quote any figures or any statistics. These have been referred to on numerous occasions and of course members of the House have perhaps read them in various statistical documents and in financial papers and in the daily papers.

I think 1974 by the indications we now have promises to be another year of favourable growth with relative prosperity in the primary sectors contributing particularly to the continued growth of our secondary industries, industries in the secondary sector. I'm not suggesting that we do not face problems of economic expansion. As a matter of fact we face a number of problems.

If there is any one single problem that we face in Manitoba with regard to economic expansion it's probably on the supply side of the equation as opposed to the demand side. We are not necessarily faced with the lack of demand for many of our products for manufacturing industries, but we are faced with shortages of particular categories of manpower. We are concerned about continuing sources of supply of energy of various kinds, including natural gas, and indeed we're concerned with adequate supplies of material, supply – I'm thinking of for example the question of steel. I know there are a number of our manufacturers, our metal fabricators, who require larger amounts of steel and could be producing more equipment. I'm particularly thinking of

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(MR. EVANS cont'd) . . . . the agricultural equipment industry where I know at least of one major manufacturer who could be producing more if adequate steel supplies were made available.

I don't believe that we can attribute the entire prosperity of the province through the expansion that took place last year to the activities of the Department of Industry and Commerce by any means but I do believe that we did make a contribution with other departments, towards the economic growth that we've experienced. And while it is not unreasonable for us to be proud of our accomplishments, I don't think we can be completely satisfied with our efforts because despite the successful nature of various past projects much remains to be done. Our goal has been to achieve social and economic progress for all of the people of our province through utilization of various tools of economic and industrial development, and while we have made considerable progress towards our objectives they have not been fully reached, they have not been fully achieved. For example, my department is only too aware that there is still a substantial degree of regional disparity that exists within the Province of Manitoba in terms of employment opportunities, in terms of levels of income, and so on.

We are very much aware that also that many of our natural resources are being processed in other parts of the country, and indeed in other parts of the world, and that Manitobans are therefore being deprived of earning the value added from further processing, from further production. I might throw out one small example, Mr. Chairman, that of silica sand which is the basic commodity used in making glass. We ship virtually tons of silica sand from Black Island and areas around the centre portion of Lake Winnipeg, along the shores of Lake Winnipeg, and this is shipped to Alberta where they make glass containers. In fact I think we're the sole raw material source for making of glass. We have some concern that the time has come for a glass, a major glass project, or complex, in Manitoba, and we do have not only the silica sand but we have the soda ash and other needed ingredients for this. So we do realize that many of our natural resources are being processed beyond the borders of the province and we would like to see more of these natural resources processed here.

The department and myself also realizes that relative to some other parts of Canada we are still relatively underdeveloped, relatively heavily dependent upon primary production. We're also aware that if the economic and social balance in Manitoba is to be maintained erosion of employment in rural Manitoba must be stopped, through working with existing businesses, most of whom are very small enterprises, and through the creation of new job opportunities.

So, Mr. Chairman, we do recognize that there are many hurdles to overcome. We do recognize the challenges that face us, but I do think that awareness of the problem is probably a first step on the way to solving a problem or set of problems. But in solving these problems, in our efforts to solve these problems through economic and industrial development policies we do face some serious constraints, and I'd like to mention some of them and perhaps create an awareness of the type of difficulties that we as Manitobans must work against. First of all we must overcome geographical constraints such as the large distances from major markets, and a relatively sparsely populated trading area, and because of our location, because of the distance from major market centres such as Toronto, for example, our manufacturers must bear a relatively high transportation cost in shipping their products to markets beyond the provincial borders. Although we are close to the American midwest, which you might argue constitutes a very substantial market, we face in Manitoba, and indeed as all Canadians face, the constraints of the American tariff, the tariff barriers imposed by the United States Government.

Another constraint is the whole level, the level of local population. Our population is now over one million. As a matter of fact according to Statistics Canada, as of January 1st the population of Manitoba is estimated to be one million and five thousand. That's according to the Statistics Canada estimate, and it shows an increase, a rather substantial increase over the previous year, an increase – this is an absolute increase in the population of 12,000 people, which is perhaps the largest annual increase that Manitobans have experienced for many a year; percentage-wise and in absolute terms we have done fairly well in population increase in the past year. And I say "well" – I know some people don't want to have too many people around, but I think as the economists say, there's such a level as an optimum level of population, and I believe that our optimum level of population has not yet been reached and therefore – and I'm thinking particularly of areas to the west and to the northwest,

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(MR. EVANS cont'd) . . . . . and in other sections of Manitoba, our population could be larger in certain towns and certain centres to provide a better market base, and to provide a more adequate supply of manpower to support larger manufacturing enterprises.

Another problem, Mr. Chairman, another constraint, that we face is that a large portion, a portion of our businesses are rather small enterprises, and this is a natural result of the relatively small market that they serve. But the fact is that being small limits you and these firms, the typical Manitoba firm is simply not equipped to deal with some of the complexities involved in dealing with export orders, for example, and in some cases lack the technological expertise which is required to maintain competitiveness locally and in markets abroad. While these constraints that I have mentioned, Mr. Chairman, just now, are by no means the only constraints that we have to deal with, I think it gives an indication of the framework within which the Department of Industry and Commerce must operate, and obviously overcoming these restraints is no easy task. However, as I said, once they've been identified we can make attempts to reduce their effects.

Mr. Chairman, the House will be asked to approve a budget this year for the Department of Industry and Commerce which is nearly twice the size of the budget of this department for the fiscal year ending March 31, 1969, which was the last year of the previous administration. And I feel that an examination of these budgets will show a different approach by this government compared with the previous administrations and it will show that by and large we are spending more money to help existing enterprise in Manitoba and more money to assist smaller enterprises in Manitoba, as opposed to the so-called multi-million dollar level of enterprise.

The government is assisting business I would submit, Mr. Chairman, in a more effective way than was the case some years back, and as I indicated an examination of various budgets over the years will give you some indication of this. I say that if one were to examine only one indicator of departmental assistance to business, you'll notice a mark shift in the various grants that the department makes to industries since 1969. The grants that are made today you'll find, and these are reported now in detail in the annual reports of the department, that largely go to smaller enterprises and certainly more is going to regional enterprises or rural enterprises or rural business because we think this is where the greater need lies.

I think that it would be fair to say also, Mr. Chairman, that the previous administration felt that the government's role in the process of economic development should be a rather passive one. The basic role of government would be, I believe, in accordance with the previous administrations's philosophy, should be to act as a catalyst providing measures and programs which would encourage the private sector of the economy to expand. I note in particular the previous government spent a great deal of money on promotional campaigns to attract new investors and new industry into the province. --(Interjection)--well the emphasis of promotional advertising is a component of the previous administration's development policy, is evidenced by the fact that over 25 percent of the Industry and Commerce budget for the year ending March 31, 1969 was devoted to advertising - over 25 percent was devoted to advertising in the last fiscal year of the previous administration.

That amounted to, Mr. Chairman, about 800, in fact over \$800,000 out of a budget as little as about \$3 million--(Interjection)--well we include this. This administration has rejected the concept that government should be a passive tool of certain companies and merely respond to those companies. Generally the companies that are best able to in the past to solicit our services are usually the larger companies, and while we stand ready to promote industry and to promote jobs in Manitoba, we do believe that we have to pay more attention, as indeed we are, to the smaller enterprise, as I indicated a moment ago.

The response to the needs of private enterprise should not merely be coming out with a program of grants. We think that there is a greater responsibility required for the creation of a better society through industrial development than simply providing grants to industry. I think fostering further industrial development implies assisting existing enterprise in Manitoba to increase their levels of productivity, to increase their ability to compete with goods that come into the Manitoba market from abroad, and to assist them in competing themselves in markets beyond our borders. It requires encouraging industries to utilize the latest technological advancement, and therefore, Mr. Chairman, we are spending more money than ever in tempting the middle size and the small size enterprises in Manitoba to upgrade their technology.

#### (MR. EVANS cont'd)

It requires improving the way we use our manpower resources, by increasing opportunities for higher income, employment and employment potentials, it requires stimulating product innovation as I said, and development of new lines of economic activity. It implies paying more attention to these regional disparities that I mentioned a while ago.

I realize of course that industrial development is only one part of the over-all economic development process, the economic development process encompasses many areas - agricultural, educational, political, social considerations among others, and we're aware of this and there-fore the department is co-operating with other departments through various inter-departmental committees to come forth with new industrial development.

During the past five years the department has done a great deal to revitalize and restructure existing programs. As I said, we are spending more money on assistance of upgrading our design in the province, the design of our products, more funds are being spent in upgrading technology, more funds are being spent in improving manpower capability, more funds are being spent on general productivity. I made mention of existing compared to new. I think in the past there perhaps has been too much attention paid to bringing new industry and a new factory, although new factories have been established in the province in the past year. I mention for example, Sekine bicycle factory at Rivers, or the Phillips Cable factory which is now being constructed at Portage la Paairie, for example, I think that we have to pay more attention to assisting our existing industry and to assisting in the maintenance of jobs and the saving of jobs, this is certainly equally as important as creating a brand new job. And this is being done and I can give you many examples subsequently, Mr. Chairman, if the members are interested in this.

I think we also have a special responsibility to assist disadvantaged people in participating in economic opportunities and through our manpower development program we are co-operating with other provincial departments in this respect.

I believe it's important to note that the thrust of this government is to insist that training of indigenous unemployed Manitobans to fill any labour shortages where possible must take precedence over importation of residents from outside of Manitoba. In the past the government viewed the importation of workers as a panacea to deal with any labour shortage, and while I am not advocating a closed door policy, I say that this is not a panacea. We feel that through a properly conducted training program, a program in which this government will do all possible to assist industry, we can deal with two problems at one time, namely the problem of labour shortage on one hand and the problem of structural unemployment on the other hand.

Mr. Chairman, I could talk at some length about specific programs, our community management development program and our science and technology program. I think I'll refrain at this time. I would just like to mention however in passing that I'm very pleased that we were able to sign an agreement with the Federal Department of Industry, Trade and Commerce to establish a Canadian or a national food technology centre in Winnipeg. Both levels of government will be contributing \$100,000 a year for a total of \$200,000. The agreement is for five years and we are hoping that we can establish . . .

MR. CHAIRMAN: Order, please. The Minister will have an opportunity to conclude his opening remarks. Committee rise. I'll be leaving the Chair to return at 7:30.