

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Wednesday, April 9, 1975

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 100 students of Grade 10, 11 and 12 standing of the Neepawa Collegiate. These students are under the direction of Mr. Stankovic and Mr. Isaac. This school is located in the Constituency of the Honourable Member for Gladstone.

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

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Questions. The Honourable Member for Fort Garry.

ORAL QUESTIONS

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable the Minister of Labour. I would like to ask him whether he is planning to send representatives of his office to participate tomorrow, or to at least observe tomorrow in any kind of negotiations that Mr. Peter Warren of the CJOB Action Line is putting together between the two sides in the University dispute?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I don't know what the honourable member is referring to. I did not and very often do not listen to anything that comes over Peter Warren's program.

MR. SHERMAN: Can the Minister advise the House if he is monitoring the discussions that are taking place today between the two sides in the Government-Doctor dispute, which I understand was initiated by the same Mr. Warren?

MR. PAULLEY: I would question whether or not there's any different answer that I can give to my honourable friend in respect of the doctors in that I did insofar as the University students are concerned.

MR. SPEAKER: Orders of the Day. The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I don't believe that the Minister in charge of water control is in his seat today. Then I'll just direct my question to the Government. I'd like to know if the Court case has been settled between one Walter Penhall versus the Government in regard to water control?

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I would think that question would likely be directed towards myself. I would have to take the question as notice and obtain the information for the honourable member.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I direct this question to the Acting Premier, perhaps in his role as Minister of Labour as well. On March 21st the Manitoba Forest Resources Plant at The Pas was closed down for a two-week period. Can he inform the House if this plant has now taken the men back and is operating at this time?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: No, Mr. Speaker, I'm not aware as to whether or not they have been taken back. They were laid off because of the situation in respect to prices of pulp and the availability on the market, which of course, Mr. Speaker, I'm sure that all honourable members will recognize is a normal fact of engagement in employment, that from time to time employees are laid off because of the lack of being able to sell their produce.

MR. G. JOHNSTON: Mr. Speaker, a further question on the same subject. When the Minister so proudly announced his unemployment figures . . .

MR. SPEAKER: Question please.

MR. G. JOHNSTON: . . . yesterday, did he include the hundreds of men who were laid off at that plant in the figures?

MR. PAULLEY: I would suggest that if my honourable friend is aware that Canada Statistics takes into account in compiling the numbers of unemployed persons who are laid off and are seeking work, they could have been included in the total amount of the percentage I referred to yesterday.

## ORAL QUESTIONS

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, the Member for Birtle-Russell asked a question with regard to an advertisement regarding Churchhill, Manitoba. I indicated yesterday I thought an error had been made. It's now confirmed that in fact an error was made in running the ad as being placed by the Minister of Urban Affairs. It should have read Department of Municipal Affairs, and I'm informed that in fact the tender documents did read that way by some error - gremlins I suppose - the advertisement was in the name of the Minister of Urban Affairs.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Then I would ask a question of the Minister of Municipal Affairs. Is it now going to be the practice for landscaping contracts in various municipal jurisdictions throughout the province to be advertised by the Minister of Municipal Affairs?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, I haven't had the benefit of the ad. I assume that the ad relates to the Churchill Redevelopment Program, and as the honourable member knows substantial involvement is taking place there on the part of the province in the total redevelopment program, and that involves of course the involvement at the local government district level, the federal government level and our own level provincially. The landscaping, if that is the reference in the advertisement, would likely have to do with the total redevelopment program which I believe was tabled here in the House two or three years ago.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Health and Social Development. Can the Minister confirm, in light of the present problems being raised with doctors, whether in fact 68 percent of the graduates of the Manitoba Medical School of last year have taken their first job out of the province, or in fact are no longer practicing in the province?

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Well, Mr. Speaker, I believe that my honourable friend knows that I can't give him the exact figures at this time. I suggest that I take it as a question and give him the answer later on. But I can tell him this, that those that are getting trained here at the College, there's a hundred a year, and I can tell him there's only 33, approximately 33, or one-third that remain in the province and out of those there's only one out of five that is ready to go and work outside of Manitoba. This has nothing to do with the doctors that are working for us. They are people that are trained at the expense of the taxpayers of Manitoba and two-thirds of them unfortunately leave the province, and this cannot and will not be allowed to continue.

MR. AXWORTHY: Well a supplementary, Mr. Speaker. Can the Minister indicate whether he intends to take any action or has any measures contemplated to deal with the situation so that the same proportion will not be leaving the province in this year's graduating class or in future graduating classes?

MR. DESJARDINS: I certainly intend to do everything I can to prevent this. I don't know if I'll be too successful in the first year but I intend to propose to my colleagues very radical measures if need be to stop this.

MR. AXWORTHY: Mr. Speaker, a final supplementary. Could the Minister indicate or provide some indication of what these radical measures might be and if he would be prepared to announce in the House when they are taken as a . . .

MR. DESJARDINS: It goes without saying, Mr. Speaker, that when these measures are taken the House would certainly be informed, if they are as my honourable friend tells me. He's less radical than I am apparently.

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

MR. GEORGE MINAKER (St. James): Mr. Speaker, my question is to the Minister of Consumer Affairs. I wonder in view of the fact that butter is selling for 77 cents a pound in Fargo, North Dakota and it's presently selling for \$1.13 a pound in Winnipeg, some 47 percent higher, could the Minister advise the House if his department has looked into the recent increase in butter prices in our area?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

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MR. TURNBULL: Mr. Speaker, if the member means did the department look at the price of butter in Winnipeg, it certainly has. I think it's deplorable that butter can be sold in United States at so much less than it is sold here in Winnipeg. I would like to be able to reduce the price of butter, milk and other commodities to Manitoba citizens, but until such time as the Federal Government and all provinces get together to impose some kind of price restraints on these commodities I'm afraid that every Manitoban and every Canadian will have to suffer these rapid escalations in the price of goods. Of course, we must realize, Mr. Speaker, that with agricultural commodities if retail price is reduced that can well mean that the prices paid to farmers . . .

MR. SPEAKER: Order please.

MR. TURNBULL: . . . is also reduced. And that, sir, I think would . . .

MR. SPEAKER: Order please. This is a question period and the answers should be brief and to the point and not a debate. The Honourable Member for Assiniboia.

MR. MINAKER: Thank you, Mr. - I guess St. James, I believe, Mr. Speaker.

MR. SPEAKER: St. James, I'm sorry.

MR. MINAKER: Mr. Speaker, a supplementary question to the same Minister. I wonder if the Minister could advise how much of the butter consumed in Manitoba at the present time is imported either from Ireland or from outside the Canadian borders.

MR. SPEAKER: The Honourable Minister.

MR. TURNBULL: Mr. Speaker, I think that question was asked last year, I did get information last year to deal with it. I will have to take it as notice and get those kinds of figures for the Member from St. James.

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

MR. MINAKER: Thank you, Mr. Speaker. I wonder if the Minister at the same time would look into the possibility that there might not be some kind of a rip-off occurring because of the fact that butter is being sold so much cheaper in other countries, that there might be somewhere a rip-off occurring in this butter that's being imported and sold here. If he would check into that for us please

MR. TURNBULL: Mr. Speaker, this, too, I can have my small research staff examine. I might point out to the Member from St. James that if I were to investigate every price increase that the size of this department will have to grow almost to the size of that of the federal department. But I will try to get that information for him.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Speaker. My question is to the Honourable the Minister of Labour. In the latest employment figures which his department made available, the labour force in Manitoba was revealed as being down by 5,000, to 422,000 from 427,000. My question to the Minister, Mr. Speaker, is if he can advise the House of the reasons for that decline in the total number of the labour force?

MR. SPEAKER: The Honourable Minister.

MR. PAULLEY: Not at this particular time, Mr. Speaker. This is not unusual and happens from time to time when people decide to leave the labour force for one or other reasons or personal reasons, the reasons are not reflected in the statistics. I might say that I, too, raised internally with myself the question as to how it came about. Apparently it is a statistical fact. I'm inquiring into it as well.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable Minister of Tourism, Recreation and Cultural Affairs. I wonder if the Honourable Minister can advise the House of the net results, or in fact is he prepared to make a statement that from those discussions that were held yesterday among himself, the First Minister, the Minister of Highways, The Honourable Member from Ste. Rose and the Advisory Committee of the Parkland Regional Library and the Advisory Committee of the Parkland Regional Development Corporation.

MR. SPEAKER: Order please. If the statement is any more than one sentence it is out of order. The Honourable Minister of Tourism, Recreation and Cultural Affairs.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, in my humble opinion the meeting was considered to be valuable by most present and any policy pertaining to the outcome of the meeting will be announced in due course.

## ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister of Labour. In light of the rapidly increasing cost of fire fighting equipment in Manitoba, is the Minister's department considering any assistance to smaller urban and rural municipalities which have a very low assessment basis?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, the Department of Labour has established an advisory committee dealing with all matters pertaining to fire fighting, an advisory committee having representation of the various organizations and the fire chiefs of Manitoba, to consider the problems, one of which is the point raised by the Honourable Member for La Verendrye. I anticipate receiving a report from that committee before too long.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Speaker, a further question. Would the Minister inform the House if his department is giving consideration to possibly dropping the sales tax on fire fighting equipment?

MR. PAULLEY: I might say, Mr. Speaker, representations have been made to me in respect to the sales tax on fire fighting equipment. It is a matter of policy of the government. I assure my honourable friend the matter is under consideration.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Urban Affairs and Housing. Can the Minister tell us in view of the serious drop in housing starts whether the province plans to take any financial initiatives on its own to stimulate new construction in the City of Winnipeg area?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. MILLER: No, Mr. Speaker, the drop in housing starts is what the ministers of all ten provinces predicted would happen. The Federal Government on the other hand felt that its program was adequate. Perhaps now the Federal Government will re-think its position.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate whether the government has any intention of establishing a provincial mortgage corporation similar to that in Ontario to provide low interest loans for the construction of new apartments and units in this province?

MR. SPEAKER: The Honourable Minister.

MR. MILLER: No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate whether the province plans to provide any loans or grants to the City of Winnipeg to help with the servicing of lots or the building of sewage and water facilities in order to bring more lots and make them available for housing construction?

MR. MILLER: Mr. Speaker, there are programs now that the City of Winnipeg can participate in through CMHC funding; those funds are available for that purpose and they can avail themselves of it.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I have a question to the Honourable Minister of Labour. It relates to the fire at the school at Cross Lake. I wonder is the Minister's department investigating that disaster.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Yes, Mr. Speaker, for the information of my honourable friend and members of the Assembly, I'm sure my honourable friend is aware of the fact that this fire took place on an Indian Reserve which is under federal jurisdiction. Nonetheless, the Department of Labour through its fire commissioners department section is investigating the causes to try and avert a possible recurrence.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: A supplementary question. Did the Minister's department investigate the fire there at the other school, what, two or three years ago, the previous one? I believe it was three years ago.

MR. PAULLEY: Yes, Mr. Speaker.

## ORAL QUESTIONS

MR. SPEAKER: Orders of the Day. The Honourable Member for Roblin.

MR. McKENZIE: Was there any formal recommendations that came from that investigation regarding the quality of fire equipment?

MR. SPEAKER: That may be asked under the Estimates. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable the Minister of Labour. I would like to ask him whether he has come to any decision as to whether or not he will be calling the Industrial Relations Committee of the Legislature into session to study the industrial situation in the province.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: I would suggest, Mr. Speaker, the Committee on Industrial Relations will be called together in due course to consider legislation and I am sure that the committee will adjudicate as to whether or not a general discussion will take place on matters referred to by my honourable friend.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker. Mr. Speaker, I direct a question to the Honourable Minister of Health and Social Services. I believe he indicated that additional beds were being planned for the proposed hospital Seven Oaks Hospital. Has the same decision been arrived at with respect to the expansion of the new facilities at the Concordia Hospital?

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Not at this time, Mr. Speaker.

MR. ENNS: Matter of clarification, Mr. Speaker. The Honourable Minister did indicate that the . . .

MR. SPEAKER: Question please, no argument.

MR. ENNS: My question now of the Honourable Minister is whether or not he did not indicate to us some time ago that expansion plans were there for the Concordia Hospital as well as some other hospitals, in the redistribution of beds that would sooner or later would be taken away from the Health Services Centre?

MR. DESJARDINS: I would be pleased to try to clarify this. There is certainly a policy. As you know, the Seven Oaks has not been built, it's being planned now and the additional beds will go immediately. Now Concordia is built and I think that what I did state, that I personally feel that it is kind of ridiculous in a city like Winnipeg to have a 100-bed hospital and I would hope that - I can't promise when - but I would think that the policy, the principle anyway would be to eventually - and eventually could mean anywhere from five years to 25 years - to build more beds in those hospitals, especially when the service area can accommodate more beds. But there is no set date or firm commitment to increase the beds in Concordia at this time.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I wonder if I may be permitted to make a correction of a news article that appeared in yesterday's Winnipeg Tribune.

MR. SPEAKER: Is it agreed? (Agreed) The Honourable Minister of Labour.

NEWS ARTICLE CORRECTION

MR. PAULLEY: I refer to a news item that says "Government offers \$1,000 grant," and then the news item goes on to say that, "Students who want to take a three-year certificate labour course at the University of Manitoba are eligible for a \$1,000 grant from the Provincial Labour Department." I want to correct that. That this is not a \$1,000 grant to each and every student who takes a three-year course in Labour Management, Mr. Speaker, but rather a \$1,000 contribution to the whole course. This is following a policy, one of the very few policies that was adopted by the former administration, and they set the amount at that particular time.

MR. ENNS: Hear, Hear. Fine move. Fine move.

MR. SPEAKER: Orders of the Day. The Honourable Member for Birtle-Russell.

## ORAL QUESTIONS (Cont'd)

MR. GRAHAM: Thank you, Mr. Speaker, my question is for the Attorney-General. And I would like to ask the Attorney-General if there's any attempt being made through the

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(MR. GRAHAM cont'd) . . . . Legal Aid system to restrict the availability of legal aid to those people who have been charged more than once in any one year in Criminal Court?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, there are two principles by which legal aid is granted. One is the meeting of the financial criteria that is established by way of regulations pursuant to the Legal Aid Board, and, two, based upon legal merit, the merits of a case. So, Mr. Speaker, there is no quota insofar as the number of occasions that an individual can obtain the services of Legal Aid, and neither do I think there should be, because one cannot place a quota on the rendering of legal aid, and in fact insuring that each individual has a fair and equitable opportunity to have a case presented before the courts.

MR. GRAHAM: A supplementary question, or maybe clarification. I referred only to criminal matters, nothing about family court or anything of that nature. Just purely in the field of criminal matters.

MR. PAWLEY: Mr. Speaker, my reply related to all areas, civil, criminal and family.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I have a question for the Honourable Minister of Education and Colleges. Can the Minister indicate to the House if the Government or the Minister has conducted any survey to find out how many students will be looking for jobs this year before the Minister decided to decrease or cut the STEP program by over 50 per cent?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows): Mr. Chairman, we have no way of predicting with absolute accuracy the number of students who will apply for jobs under the STEP program, but we do know on the basis of past experience what the general demand for labour is in the private sector and we appear to be heading into a reasonably healthy economy in that respect from a labour point of view and hence the reduction in the Provincial Student Employment Program.

MR. PATRICK: Can the Minister indicate to the House, of the 35,000 students that will be looking for jobs this summer how many will be employed by Government departments, what percentage of the 35,000?

MR. HANUSCHAK: Mr. Speaker, we don't know what percentage will be applying for jobs. All we do know is the number of possible openings that there may be with the public service.

MR. SPEAKER: If the honourable member is going to pursue this he may do it better under the Estimates, if it's still education. The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I'd like to direct this question to the Minister of Highways. Has the Minister a tentative date for the highway weight restrictions. And a supplementary to that. How much advance notice is to be given?

MR. SPEAKER: The Minister of Highways.

HON. PETER BURTNIAK (Minister of Highways) (Dauphin): Mr. Speaker, notice was given in the House here some two or three weeks ago that there will be restrictions imposed but at the moment I really cannot say exactly, because it depends on the weather, it depends on the deflections of our highways. I can assure the honourable member that there will be sufficient notice given as to the exact date, but I am not able to do so at this time.

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

MR. PAULLEY: I wonder, Mr. Speaker, whether you'll follow the items as contained in the Orders of the Day.

MR. SPEAKER: Thank you.

ORDERS OF THE DAY - BILL NO. 3

THE EXTRA-PROVINCIAL CUSTODY ORDERS ENFORCEMENT ACT

MR. SPEAKER: Bill No. 3, proposed motion by the Attorney-General. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. I adjourned debate on this on behalf of my colleague the Member for Rhineland.

MR. SPEAKER: The Honourable Member for Rhineland.

## BILL 3

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. When the Honourable Attorney-General introduced this Bill into the House, and maybe I should read the first two paragraphs of his introduction from Hansard to refresh our memory on it, and I would like to quote him from Page 715 of March 26 Hansard.

The Minister said that, "This bill is aimed at introducing into Manitoba, legislation which will permit the Manitoba courts to recognize a custody order granted in a court in another province in Canada. The bill before us comes by way of recommendation from the Uniform Law Commissioners Conference, a conference which is held each year and which provinces all across Canada participate in. And one of the areas that was agreed by all provinces was that this was an area which was in need of the development of uniform practice of law across Canada.

"The bill before would ensure that a civil kidnapper would not find a haven in the province of Manitoba. In this regard, we anticipate enactment of similar legislation in all other provinces in due course. I believe that we are the first province to introduce this legislation, but it is anticipated that most, if not all, other provinces in Canada will do likewise."

Mr. Speaker, this Bill deals with a very sad situation within our society, and that is what happens to children of broken homes and the custody of these children. The intent of the bill is good, Mr. Speaker, and that is that civil kidnappers will not find haven in Manitoba or in other provinces we hope shortly. The way the bill is written, however, leaves much to be desired and one wonders when problems of this nature occur whether this bill will not only allow provinces to pass the buck from one province to the other.

The bill makes reference to courts who shall decide custody of court orders. Now what court, Mr. Speaker? What court has jurisdiction over custody procedures? Is it the Family Court? Is it the Court of Queen's Bench? Is it the County Court? The Act does not clearly state, Mr. Speaker, which court will be in charge.

The Bill makes reference to a "substantial connection" with Manitoba for all parties concerned. Mr. Speaker, this raises the question of what is meant by substantial connection. What does this mean, and how will the Court decide what is a substantial connection?

I would like to refer to a particular case which is in Manitoba at the present time, and this is where a marriage broke up in Manitoba. The father received the custody of the children, the father moved to British Columbia. He lived there for a couple of years and he remarried. When he remarried the stepmother was extremely cruel to these children and the children ran away from home. They hitchhiked back to Manitoba I understand, they are presently in Manitoba. I wonder if, under this Act, how are we going to find out where substantial connection is. Is it British Columbia? Is it Manitoba? I believe that we must have some clear definition so that we will be certain to be able to determine where this particular case should be looked after.

The bill referred to, consideration must be given to the welfare of the child. Now, just exactly what do we mean by the welfare of a child. Are we looking after the material needs, or are we concerned about the best interests of the child? I think that we must have a clear definition of just exactly what we mean. The bill refers to the provision where a court may vary a custody order if the court is satisfied that a child would suffer serious harm if it remained in the custody of the present person. Now again, Mr. Speaker, what does "suffer serious harm" mean? Do we mean a broken foot? Do we mean a broken arm? Do we mean mental anguish? I think that his again, Mr. Speaker, should be clearly defined, just exactly what do we mean by "suffer serious harm."

Now, at the present time we have nobody representing these children. To my mind they should be represented by an independent source and it should be mandatory that they receive the best legal aid. Now this is not mentioned in the Act. I hope that the Minister will be able to clarify some of these questions that I have raised and if other provinces will follow the guidelines set forth by this bill then great care should be taken that we are sure that we will achieve what is in the best interests of the children. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I just rise to make, I suppose, one basic point about Bill 3 that's before us. And that is while it is very worthy in its intention, it's simply not workable the way it's written. And while I think we can all offer our agreement to the basic

## BILL 3

(MR. AXWORTHY cont'd) . . . . principle, the wording of the bill leaves one in a capacity of simply saying that if the intention is to provide some way of dealing with this problem of extra-province custody, the way the bill, as I read it, is set out, would simply cancel out most of provisions 2 and 3.

And let me simply point it out this way, Mr. Speaker, that under the principle of the bill of say where, let's say a Manitoba court is given the power to enforce a custody order that would have been made in another province, let's say Alberta for sake of argument, unless, as the bill reads, evidence is adduced that the child affected by the custody order and so on and so on, is not in the province or there is other evidence to indicate that the custody order shouldn't be applied, then you go on to Bill 2 and say that the court in Manitoba also has the power to make variations on a custody order.

Well, Mr. Speaker, the contradiction that seems to appear to me is how does the court in Manitoba enforce a custody order of another province unless there is evidence produced, when there's been no opportunity to have any evidence produced. How do you go about producing evidence for variations, or how do you go about producing evidence that there should not be enforcement when it says you would enforce the order and there's no way for the party who may be in the dispute in the Province of Manitoba to know that there has been an order given by the Alberta court to bring it to bear? And it simply strikes me, Mr. Speaker, that that won't work. That if you are interested in protecting the welfare of the child, as it says in the bill, then presumably there is two sides to an argument, there is two sides to the dispute. And yet here you have a Manitoba court that's going to enforce the custody order without providing any provision for the other party to the dispute, whether it's another parent or another foster parent or another agency which has custody, to know even if the enforcement order is going to be implemented. There's nothing in the bill that says, for example, that prior to an enforcement order being granted by a Manitoba court, that all parties to the dispute would be so informed and have the opportunity to appear in order to present arguments as to why the enforcement order should not be produced or why variations in the custody order should be made. So it simply seems, Mr. Speaker, very bluntly that in order for this bill to work according to its intention and that is to provide for the welfare of the child, you have to make sure that that welfare is protected by ensuring that the evidence is produced from both sides of a dispute, and yet there is no provision under this bill to ensure that that kind of guarantee of having the party that is having the custody order laid against it has the opportunity of appearing in court with counsel and presenting evidence to argue their side of the case, on the point that there should either not be an enforcement order or that it should be varied.

So I simply say to the Attorney-General unless he has a different reading of how this bill is going to work, unless he can demonstrate to us how there will be sufficient protection and guarantee that the two parties to the dispute will have their full rights guaranteed and protected and be able to appear in court and produce their evidence, which is not in this bill I submit, then I simply don't think the bill is workable. I think that therefore we require a very major explanation from the Minister either how that would work - he may have some other way of making it work - or simply the bill should be withdrawn and be brought in with other amendments brought to it.

MR. SPEAKER: The Honourable Attorney-General will be closing debate. The Attorney-General.

MR. PAWLEY: Mr. Speaker, I would like to just make a few preliminary comments then I think that the more fruitful discussion can take place in committee. But I would like to deal with the several specific areas that have been raised by the Member for Rhineland and the Member for Fort Rouge, so that further thought can be given prior to our proceeding through committee.

First, in respect to which court, I would simply say to the Honourable Member for Rhineland that the definition section of the bill I think answers the question really, as the court will be the one which has the authority to grant custody of a child. Now that can be the Family Court or it can be the Court of Queen's Bench depending upon the circumstances.

Insofar as issues as to what is meant by "harm to the child," what is meant by "substantial connection," I think, for instance, in respect to substantial connection that the court would be primarily concerned with ascertaining what has been the principal place of residence of domicile of the child and of the parents and the court would entertain any and all evidence that could be adduced at the hearing in order to ascertain substantial connection. So certainly a child that

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(MR. PAWLEY cont'd) . . . . has been for only a small portion of its lifetime been, for example, in the Province of Alberta while primarily its place of residence has been in the Province of British Columbia, would be considered here to have a substantial connection with the Province of British Columbia.

Harm to the child, again would be subject to the various areas of evidence that would be adduced and I'm sure the court would be mainly concerned insofar as whether or not it would be that which is beyond the normal of harm to the child either in a physical or a mental way, such harm that would affect the very outlook the very approach, the very future of the child. But these are all matters that the court in its wisdom would have to receive by way of evidence at the hearing. And certainly from court to court there would be different degrees of attention paid to the two very important clauses that the Honourable Member for Rhineland has pointed out. Substantial connection and serious harm.

To the Honourable Member for Fort Rouge. Certainly the principal concern of this legislation is to ensure the continued welfare and goodbeing of the child, and it is because the present type of arrangement which exists across Canada is not contributing towards the future welfare of the child, but rather the present legal arrangements throughout Canada can be used by those parents that wish to be repressive, wish to be unscrupulous in their treatment of their children, to take advantage of the present laws that now exist.

There has already been, by the time the bill before us deals with the matter, a hearing, a hearing in another province which has dealt with the higher issue of custody on its merits. It weighed all the factors as to the father and the mother as to which of the parents ought to have custody of the child and has entertained all the various factors in attempting to come to its conclusion. So by the time the "civil kidnapping" takes place and the child is brought into the Province of Manitoba, a court in another jurisdiction in Canada has already dealt with the custody issue. So that under this bill it states, "shall enforce, shall make orders to give effect to the custody order." However, because it is recognized that there may in fact be circumstances, circumstances that we cannot always forecast, that one would want to ensure that a court take a fresh examination of the decision that was arrived at in another province, an application may be made by order to vary the custody order, and this of course would be commenced by the, I would think, by the parent that in fact had lost his or her case in the other province. So at that time there would be a hearing in order to ascertain whether or not the previous order that was granted in the other province should continue to be upheld or whether variations should be effected.

Now I know that honourable members will continue to have a number of important questions insofar as this legislation is concerned and . . .

MR. AXWORTHY: Mr. Speaker, would the Honourable Minister permit a question?

MR. PAWLEY: Yes.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Yes, Mr. Speaker, I'd like to ask the Minister a question for clarification. When he states that there would be opportunity to hold additional hearings in a province for the parent who has lost custody, would the enforcement order be in effect at that time? In other words, would the parent who had lost custody, would the child, say, be removed from their domicile back to another province, or whether in fact there would simply be a freeze on any court action while a new hearing was pending or being conducted?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I think that generally this would depend upon the ruling of the court but I would certainly think that until such time as the custody order was varied that the original order granted by the courts in another province would have to be sustained. So that in effect I would say to the honourable member, and we can obtain further answers during committee, that the custody order already granted would have to be sustained until such time as that custody order would be varied. So that the parent who had originally received custody by the order of another province, I would say, Mr. Speaker, ought to continue to enjoy the custody of that child until such time as a court, this court here in this province, saw fit for some reason to vary that order.

MR. SPEAKER: Pleasure of the House to adopt the motion? Agreed. So ordered. Bill No. 13. The Honourable Attorney-General.

BILL NO. 13 - THE FATALITY INQUIRIES ACT

HON. HOWARD PAWLEY (Selkirk) presented Bill No. 13, the Fatality Inquiries Act, for second reading.  
MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, members will recall that the Fatality Inquiries Act came into force in 1971. Shortly thereafter we decided that the procedures set out in the Act were impractical in that the Act required a medical examiner to report to a magistrate, the provincial judge, where he considered that the circumstances surrounding a death called for an inquest. The Provincial judge was given discretion as to whether or not to hold an inquest unless directed by the Attorney-General or required by another statute. In practice, the magistrate, provincial judge, had to make enquiries to determine whether an inquest was necessary. The medical examiner's report indicated only the cause of death and the recommendations that there be an inquest. Logically the provincial judge should have considered the police report and the recommendations of the Crown Attorney. Honourable members will see that this would immediately place the provincial judge in an untenable position, he would be required to consider matters that would be, in effect, in conflict with the independence of the judiciary and would create further problems where criminal charges were later to be laid.

In consultation therefore with the provincial judge it has been agreed that for consistency of approach throughout the province, all cases should be reviewed by a committee of three and that this three will consist of the Administrator of Court Services, and the officer in charge of the responsibility of administering the Act, and the Chief Medical Examiner for the province, and the administrative officer in the offices of the Administrator of Court Services who acts as a secretary. When the committee of three determines that an inquest is desirable, the Crown Attorney for the district is given notice of a decision and the Crown Attorney organizes for the inquest to be held. It was proposed that amendments to this Act should go forward the 1974 session of Legislature. Unfortunately, they did not proceed during the 1974 session of the Legislature and we are bringing them forth at this time, that were not introduced in the last session of the House.

There are a number of other extensive amendments to the bill before us but they are mainly of a housekeeping nature and I think that the major principle involved in the changes proposed here certainly deal with the present provisions dealing with the committee of three rather than the untenable position that I mentioned earlier in the present act.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. The Fatality Inquiries Act, Mr. Speaker, I think more properly is the responsibility of another member in our caucus who I feel sure will make his contributions to debate at another time. But there is one aspect of this particular Bill, Mr. Speaker, that concerns me to no end. I think it's a very serious thing that the Minister should be taking exhibits which could be personal property, it could be almost anything, at an inquest and then telling the Provincial Judge or the Administrator that they can dispose of them any way they want to, they don't have to give them back to the proper owner. And then further to say that if they do belong, if somebody requests the ownership of those later, that the Administrator and the Provincial Judge are not responsible.

Mr. Speaker, you can't have it both ways. If somebody is going to give your property away then they had better be responsible for it. Either that or they should never be giving it away in the first place.

Mr. Speaker, I suggest that whoever drafted this Bill should take a very serious look at that particular section and consider either removing it entirely or making somebody responsible when they take somebody else's personal property.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. BROWN: I would like to move, Mr. Speaker, seconded by the Honourable Member from Pembina, that debate be adjourned.

MOTION presented and carried.

BILL NO. 15 - SUMMARY CONVICTION ACT AMENDMENT

MR. SPEAKER: Bill No. 15, the Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk) presented Bill No. 15, an Act to Amend the Summary Conviction Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, the only substantial amendment to this proposed legislation is a new section which deals with the common offence notice. Here we have lifted the traffic offence notice which exists in highway traffic offence notices from the Highway Traffic Act almost word for word and transferred these provisions into the Summary Convictions Act in order that the offence notice will relate to all provincial offences in the province. The procedure is used to good effect in our sister provinces and also has been used successfully insofar as highway traffic offence notices are concerned.

I would like to just indicate to the House that we have corresponded with the Deputy Commissioner of the RCMP for Manitoba, Mr. Paquette, who has indicated, as you are aware, the proposed offence notice will simplify the laying of charges at the detachment level considerably thus enabling our field personnel to devote more time patrolling their respective areas rather than expending time in the office preparing informations and summonses. And certainly I think that we're all anxious to ensure, as the Honourable Member for Swan River indicated the other day, that police officers certainly spend more time in the field rather than in their offices or away from human contact. Further, the use of the common offence notice will save the Peace Officer considerable time and effort now expended in trying to locate an accused person in order to serve him with a summons.

These amendments that are before you have been prepared in consultation, as I said, with the RCMP, they've also been prepared in consultation with the City of Winnipeg, the Registrar of Motor Vehicles, the Chairman of the Liquor Control Commission, the Administrator of Court Services and the Chief Provincial Judge and the Director of Prosecutions.

Presently the Summary Conviction Act was not amended to conform with the new Provincial Judges Act, therefore there is no reference to the Provincial Judges Act but rather to Magistrates and Justices of the Peace, and of course appropriate rewording is taking place in those areas so that rather than the term Provincial Judge, Magistrate or Justice of the Peace in practically every section of the Act, we decided to put in a definition of Justice to include a Provincial Judge, a Magistrate or Justice of the Peace.

The other items I think are of all really too minor significance for me to deal with during the discussion of the Bill in principle.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, I beg to move, seconded by the Honourable Member for Brandon West, debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. TOUPIN: Mr. Speaker. Mr. Speaker.

MR. SPEAKER: Oh I'm sorry. There's one more bill.

BILL NO. 20 - THE HERITAGE MANITOBA ACT AMENDMENT

HON. RENE TOUPIN (Minister of Tourism) (Springfield) presented Bill No. 20, an Act to Amend the Heritage Manitoba Act, for second reading. (Referred to Law Amendments).

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Mr. Speaker, the purpose of this Bill is to establish a foundation to acquire and manage property, both real and personal, of a historical, architectural, recreational, aesthetic or scenic interest for the people of the province. The Heritage Foundation will have a Board of Directors of not less than three and not more than eleven persons. The Lieutenant-Governor-In-Council, as decided by the people of Manitoba, will designate the members of the board and its chairman.

MR. SPEAKER: Order please.

MR. TOUPIN: The Heritage Foundation will be a body corporate and politic, and the Bill will authorize the making of by-laws for the administration of the Foundation, the appointment and qualification and condition of membership in the Foundation. The provisions of the

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(MR. TOUPIN cont'd) . . . . Companies Act does not apply to the Foundation. The Foundation is established as an agent of Her Majesty The Queen.

Property acquired by the Foundation will be held in the name of Her Majesty in right of the province. The Foundation will be able to receive, acquire by purchase, donation or lease, and to hold, preserve, maintain, both real and personal property, will be able to support and contribute to the acquisition, holding, preservation, maintenance, reconstruction of properties that will be determined by the Foundation Board. It will conduct and arrange exhibits or other cultural or recreational activities to inform and stimulate public interest in historical and architectural matters.

The powers of the Foundation will permit the Foundation to restore, reconstruct and will allow, subject to the approval of the Minister determined by the Act, the Foundation to acquire property both real and personal, enter into agreements equally with prospective donors respecting any matter within the objective of the Foundation and engage in the service of experts. Will permit the Foundation to dispose equally of real property or any interest or estate therein by sale, lease or other matter subject to the terms of any trust affecting the property and subject to the approval of the Lieutenant-Governor-In-Council. The Foundation may dispose of any personal property or chattels subject to the terms of any trust affecting that property. Will allow the Foundation to borrow money for purposes of carrying out the objectives of the Foundation if the loan is guaranteed as provided by a certain section of the Act.

It establishes equally, Mr. Speaker, provisions for a general fund that will consist of moneys received by the Corporation including grants made by the Minister of Finance. It also permits the Foundation to spend moneys for purposes of any of the objectives of the Foundation. There will be a reserve fund established. Will allow income from the reserve to be paid into and form part of the general fund. The Act will prohibit the Foundation from expending any of the capital or the reserve fund, except for investment, without the approval of the Lieutenant-Governor-In-Council.

No wages would be paid, Mr. Speaker, to members of the Foundation, but subject to the approval of the Minister, out-of-pocket expenses may be paid. The Foundation is exempt from taxes with the exception of property leased under a certain section of the Act if the lease is to a person or organization that is not a charitable organization under the terms of the Income Tax Act of Canada.

It provides, equally, for an audit to be made by the Provincial Auditor. It authorizes the Minister of Finance to make grants at the request of the Minister administering the Act under such terms and conditions as the Minister may prescribe, including allocation to the general and reserve funds of the Foundation.

It authorizes the Lieutenant-Governor-In-Council to impose terms under which the Government may guarantee payment of any loan to the Foundation for the purposes of carrying out the Foundation's objectives. And the Lieutenant-Governor-In-Council will approve the manner and format of the guarantee. Makes the Government liable for the payment of the loan and interest according to the terms of the guarantee. It also allows the Lieutenant-Governor-In-Council to discharge the liabilities from the consolidated fund.

The amount of loan guaranteed by the Government will not exceed those authorized by this Legislature. Will provide for an Annual Report of the Foundation to be submitted to the Lieutenant-Governor-In-Council reporting on the Foundation and its operation and requiring a financial statement showing the operation of the Foundation for the fiscal year in such form as may be required by the Minister of Finance.

Will provide for the tabling of such a Report within 15 days of the commencement of the Legislative Assembly Session. And it provides for the coming into force of the Act and the above-noted amendments on the acceptance of the Bill.

I so recommend this Bill to the House.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I move, seconded by the Honourable Member for Rock Lake, debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Education, that Mr. Speaker do now leave the Chair and the House resolve itself into a

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(MR. PAULLEY cont'd) . . . . 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 Logan in the Chair.

. . . . continued on next page

COMMITTEE OF SUPPLY - EDUCATION

MR. CHAIRMAN: Resolution 46(a)--The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Chairman. Mr. Chairman, when we adjourned last night, at that time the Acting House Leader and the Minister of Education were asking that I produce evidence regarding the use of government aircraft by members of the REAP staff in the Department of Education.

Mr. Chairman, this morning I phoned the Government Air Service and was informed that any information I requested regarding the operations of government aircraft I could get only through going to the Minister and asking through the Minister. So the government has control over all that information. I may not be able to get it from the government, but I would suggest to the Minister - I indicated last night that the Minister should look into the matter, and I would suggest to the Minister that he should probably look at a date that was one day prior to the calling of the last provincial election. Now maybe, Mr. Chairman, there was an urgency that required the use of government aircraft, and maybe on that basis it is justified. But it does, having found that out, Mr. Chairman, maybe it poses more questions than it answers, so I would like the Minister to justify to this Legislature the use of government aircraft for REAP staff one day prior to the calling of the last provincial election.

MR. CHAIRMAN: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Chairman, I am not quite certain that I fully appreciate the significance of the use of a government aircraft on the day prior to the calling of an election. I'm sure that if that were a working day, which I suspect that it was, that there was government aircraft flying to many different points. But as I indicated to the honourable member last night, I would be only too glad to provide him with the information, provided that he give me some specific details related to the information that he asks to enable me to respond to it, but I cannot respond to a vague general request of the nature that he had made and he knows that, as I indicated last night that even the rules of our House do, namely Beauchesne, does have something to say about responding to information that's requested in vague or ambiguous terms. I do not know from whence the aircraft flew or to where. As I said last night all I know is that . . . I presume, and even then I'm presuming, that it landed somewhere within Pelly Trail School Division but need not have, it could have landed in the Province of Saskatchewan because Pelly Trail School Division touches upon the boundary of Saskatchewan and the people could have driven back. He also mentioned an automobile; I don't know who leased it, where it was leased, and if he would give me specific details by way of Order for Return, I would be only too happy to provide him with the information.

MR. GRAHAM: Well, Mr. Chairman, we have established the date I believe as being one day prior to the calling of the last provincial election, which would be probably the 23rd of May 1973. I believe the aircraft landed at Birtle, which is just outside Pelly Trail School Division, and the automobile was leased from the only garage that, or the only automobile dealer that is in business in the Town of Birtle.

MR. HANUSCHAK: I did indicate to the honourable member the manner in which he could make his request, and I would be happy to comply.

MR. CHAIRMAN: Resolution . . .

MR. GRAHAM: Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Having been very specific in that respect I don't think that it is necessary that an Order for Return be filed in this House regarding that particular matter. I think the Minister should be able to provide us with the information without requesting an Order for Return and then running into the unnecessary delay that is so often . . . and the expense of going through the procedure for an Order for Return.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Thank you, Mr. Chairman, I have a few points that I wish to raise at this time with the Minister and while we are under the Research Branch perhaps I could raise these points at this time.

I am concerned, Mr. Chairman, in the area of individualized learning, and I think it would be right to say to make it possible for each child to attain its potential, it is generally accepted that instruction should be geared to the needs of this child, and I think it can only be influenced better by the local teachers, by the local school boards, and by the local administration, and the difficulty that these local boards or administrations find themselves, if they

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(MR. PATRICK cont'd) . . . haven't got the grant or the grant system. I would like to pose a question or find out what kind of research has the Research Branch done into the area of, for instance, physical education, or librarians, in areas where enrollment is declining. Some of these schools have to do without them. For instance, I'm talking also about the special needs, the guidance counselors, and so on. So if the grant system doesn't recognize the special needs of the divisions, Mr. Chairman, then, and we know that the rural areas at the present time are suffering and there's declining enrolments, then one would be inclined to believe that Research Branch or the Minister or the government would say that the grants should be geared more closely to the needs and the programs of the people in those areas rather than the teacher-pupil ratio. It should be geared to the conditions that arise in different divisions and the declining enrolments. So I would like to hear from the Minister in this area, Mr. Speaker.

When we talk about the physical education area and the Winnipeg schools, I believe that the Minister is aware there have been at least a dozen studies, or a half a dozen studies done, one by the University of Winnipeg or University of Manitoba, with their department, the School of Physical Education. There was one done by the Winnipeg School Division itself, and we're told that the children are not receiving adequate physical education, and there's suggestions and informations made that the present system should be increased, I know, the operation renewed. The Manitoba Provincial Government program itself had done a study and a research in this area, and say the present physical education time and program is very much lacking as far as the schools are concerned in the City of Winnipeg.

So I would like to hear just what research has gone into that and I know that at the present time that's recommended, which is 10 percent. We are told by the reports that have been done and the information that we get that 10 percent is not really used, it's not allocated. And I know that it's been indicated that at least one-half hour of a physical education program should be implemented and required in the schools every day. That's the recommendation, at least one hour, and we understand that the small amount that's supposed to be used now is not used. Well, I'm not an expert, and I don't know, and I haven't called on the schools to find out, but all you have is the reports, the government reports, as I'm saying, of the School of Physical Education from the University of Manitoba, the Winnipeg School Division, and the other reports that we've had, the Operation Renewal program, the Provincial Government program . . . You know, the present evaluation indicates that Manitoba youth generally score very low, very low in physical fitness. The 1958 Manitoba study recommended that at least a half hour daily period of physical education be done in the Manitoba schools.

The other area that I mention, Mr. Chairman, is, again I think that the grants should recognize the special needs of the divisions, and at the present time I don't believe this is happening. What happens in the other area that I would like to make, or mention to the Minister, is preschool for the deaf - I believe that we'll have it in an item later on under his Estimates but again it relates to the research program, and I know that our integrated school system for the deaf is probably the best there is in the country, in Winnipeg in the two schools we have, and I have no argument. But in order to have those students, those pupils integrated in that system, we have to have a good preschool program for these children. The preschool for the deaf and the Society for Crippled Children and Adults, that must be funded, and again I'm asking what research has been done. The minimum individual tutoring time necessary is one hour per pupil, or per child, in that school, Mr. Chairman. I understand at the present time because of shortage of funds and shortage of staff each child is only receiving five minutes per day. Five minutes per day instead of one hour. In order to have these students or pupils get into the two schools or integrate into the school system in the City of Winnipeg and not go to the special schools, they have to have this basic training. They have to. And because of the staff that's necessary at the present time they're only receiving five minutes instead of one hour. I'm sure that one basic principle of a sound preschool program is the maximum time that is spent by a trained specialist in a deaf education and in tutoring sessions with a child. I believe that, and I'm sure the Minister will not argue that this is not important because at the present time I know the school has asked for at least two trained teachers and audiologists, a speech therapist, and an assistant social worker, and it has, I understand, somewhere in the neighbourhood of 48 pupils in that school.

I think this is a very serious problem, Mr. Chairman, and this is an area again I would like to hear from the Research Branch what research has been done because we have the

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(MR. PATRICK cont'd) . . . . facilities. We have one of the best programs in the country and here if you don't give the training to the preschoolers, that you can get them into integrated systems, then everything's wasted, and the people, the ones that will lose will be those pupils, the children. So instead of getting one hour of tutoring they're getting five minutes. This is a very serious matter so again I would like to know exactly what has been done in this area. Now, I know that this is probably the reason, because of the high cost of education and the funds, but my argument with the whole department, Mr. Chairman, is that at the present time it's the inequities of the use of the property tax for school purposes. It doesn't only affect the taxpayers, Mr. Chairman, but it in my opinion affects the whole school system which is dependent upon the source of this revenue. I think the greater of our dependence must . . . it's an inequity, Mr. Chairman, too, and the Minister knows that we're supposed to have at least 80 percent of our costs come from the Foundation Program and it doesn't. The Foundation Program covers merely 50 percent, merely 50 percent, it has not moved up. It's based almost on the same basis when the Foundation Program commenced. So the greater of our dependence seem to depend on the property taxation, Mr. Chairman. So this causes a greater inequity and is regarded as of interest that almost one-half of education costs come from property taxation and if you find yourself in a division. . .

MR. SPEAKER: On a point of order, the Honourable Member for . . .

MR. WARNER H. JORGENSEN (Morris): The honourable member, and I've been following his remarks, is dealing pretty much with education finance which comes under a separate item. What we're dealing with at the moment is Planning and Research and the remarks - and we have attempted very much to relate the remarks that were made on this side of the House to that particular subject. And I think that the Chair should caution the honourable member that we are dealing with Planning and Research and if he wants to address his remarks to the question of educational finance he's going to have an opportunity to do that at a later occasion in the same Estimates.

MR. CHAIRMAN: The Honourable Member for Portage.

MR. G. JOHNSTON: Mr. Chairman, on the same point of order, we're discussing Planning and Research and one of the subheadings in the eight pages devoted to that in the Annual Report mentions Administration and Finance and what that particular department is doing about, and I quote, "The Planning and Research Branch has been called upon to examine several aspects of the structure of the education system. Efficiency and effectiveness, particularly as related to the responsiveness of the system, are significant considerations. The educational finance situation was also monitored and analyzed to determine its effect on the school divisions." So the member is talking about that.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, my . . .

MR. CHAIRMAN: I would just caution members that we are not discussing the education department report, we're discussing the estimates of the department. You know, we would like to have the debate pertinent to the topic and the item under consideration, and I think in that sense the Honourable Member for Morris is quite correct.

MR. PATRICK: Mr. Chairman, the areas that I've raised and that I talked to is the Research Branch, what it's doing in areas of special needs of schools for the deaf, of guidance counselors, of librarians in areas in the divisions that have decreasing population enrolment, and I believe one of the other members on this side made some remarks to that extent. I believe it was the Member for St. Vital. So really I don't think I'm breaking complete new ground and I say that the reason the school divisions find themselves in this position is because of the grant system, and because of the financing, and because most of our education cost is based on the property tax, over 50 percent.

I feel that it is the responsibility of the Research Branch to have done some research in the area of financing and grant system and perhaps could have had a proposal or some indication in its report, and when we come to children with special needs, Mr. Chairman, what do we have? I would have expected a report . . . I know we have in the first pages a picture of the Minister and a couple, almost . . . pages - that's not much - could have been used. But if you look into children with special needs, it says, examination of the educational opportunities of children with special needs revealed a lack of services to a wide range of handicapped students. That's what it revealed, Mr. Chairman, last year. But what are we going to do?

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(MR. PATRICK cont'd) . . . . It says, the need for appropriate responses from the educational system to meet their needs, the officials will continue to give priority to the Department of Education, but it doesn't say what it will do, and what can the local school divisions do because of lack of finances in this area, Mr. Chairman. That's right, they have to go after the government, and in this area very little has been done. So, while I'm on this subject if the Chairman feels that I cannot get into the . . . discussion into financing, and I don't think I was discussing strictly financing, I'm discussing how it relates to the problems that we have, discussing under the Research Branch.

Now the other area that perhaps I could also ask the Minister - we were told today by the Minister of Health and Social Development that 66 doctors of the graduating class of 100 last year have left this province. I would like to ask the Minister of Education how many engineers have left, how many lawyers have left of last year's class, and I'm sure the Research Department has this information. And if they haven't, then perhaps they should have, and perhaps there should be some kind of cost put on these people, or that they have to pay a higher tuition if they're going to leave the province next year, because surely, I don't believe . . .

MR. CHAIRMAN: Order please. I think that question could be better asked under Colleges and Universities. I think that the Research Department in that area would have perhaps the data that the honourable member wants. We're dealing now with elementary and secondary education.

MR. PATRICK: Mr. Chairman, right in the report you have administration and finance, the Planning and Research Branch I'm talking about, has been called upon to examine several aspects of the structure of the educational system, efficiency and effectiveness as related to the responsiveness of the system. And I want to know, what are they? What has the Research Branch done in this area? The educational finance situation was also monitored and analyzed to determine its effect on the school divisions and programs. And this is what I'm talking about, Mr. Chairman. That's what I'm told the Planning and Research Branch was doing and that's what I'm discussing, that's why I'm bringing it under finance because this is exactly what it is. The educational finance situation was analyzed to determine its effect on the school divisions and programs. And my point is that we know, and I said that the grants should recognize the special needs of the divisions; they don't at the present time.

The other point I raised, Mr. Chairman, is that rural areas we know are suffering from enrolment, and I don't think that grants should be related to enrolment in those areas that have the serious problems, they shouldn't be related to teacher-pupil ratio, they should be related to the special needs of those divisions. And what happens, because of the financial structure and the present financing system, these divisions cannot hire physical education teachers, they cannot hire librarians, they can't hire special counselors or guidance counselors, and this is my concern, Mr. Chairman.

So, I believe under this item we can question the Minister and question the finance system as it applies, because this is exactly what Planning and Research were given. They had, I understand, undertook to monitor and analyze the system and its effect on the school system and divisions out in urban and rural areas. So surely, Mr. Speaker, I cannot see that I cannot ask, ask the Minister at this time under this heading that when at the present time over half or 50 percent of the costs are borne by the taxpayer, what effect it has on the divisions that are not able, not able and haven't got the tax base, haven't got the tax base.

Mr. Speaker, surely, surely the Minister can reply in this area to the questions that I'm raising at the present time. I think that this is probably the most pertinent and the most important in the whole estimates as the financing of the education system and the effects of the present system what effect it has on many divisions. I would like to hear from the Minister.

MR. CHAIRMAN: Resolution 42. The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Chairman, in response to the Honourable Member for Assiniboia - and I will attempt to relate my remarks to the resolution before us, namely Resolution 46 dealing with Planning and Research, and whatever items the honourable member may have touched on that may go beyond Resolution 46, but do involve Planning and Research as contained in 46. I will limit my remarks to that and honourable members will appreciate of course that - and I'm referring particularly to matters of educational finance, that there will be a more appropriate opportunity to discuss that at much greater detail and in greater depth when we come to the following Resolution, 47.

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(MR. HANUSCHAK)

With respect to individualized instruction, I do believe that there has been considerable debate on this over the past couple of days, and I had outlined to the House what is being done in the area of Planning and Research as related to individualized instruction, and Hansard will no doubt show that. Then the honourable member went on to deal with a number of other issues, what research is being done. There were two areas that were of primary concern to him, one being physical education, and the other special needs.

With respect to physical education, within the past few weeks I had appointed a working group headed by Professor Jim Daly from the University of Manitoba, and working with him are Professor Kidd from Toronto, as well as two or three physical education supervisors and teachers from the Province of Manitoba, who will address themselves to a number of issues related to physical education. One, firstly to determine what in fact, how the time that is being allotted to physical education primarily at the elementary level is presently being utilized, because there is some evidence that in some school divisions, in some schools, it is not being fully utilized, how the facilities that presently are being provided for physical education are being utilized to adults so as to propose and devise ways and means for the more effective utilization of those facilities. Thirdly, to involve all the teachers, or as many teachers as possible, in physical education instruction, certainly at the elementary level, and in that fashion to enrich the physical education program that is now being offered. Recognizing of course the fact - and I will agree with the honourable member that certainly in Canada and in the Province of Manitoba there is need and room for improving and enriching our physical education program with a view to enhancing the physical fitness of our youth, and also the health factor that's very important. With physical fitness, of course, the quality of health goes hand in hand.

The honourable member also made reference to special needs, and this is a matter of extreme concern to us, and it is a difficult one to resolve. In communities such as the City of Winnipeg it may be of a somewhat simpler nature to cope with because of the concentration of population that you have - and yes, we could operate schools such as we have - for the deaf, the one on the site of the old Manitoba Normal School, the one behind Tec Voc, to which I believe the honourable member was referring - it's easier to provide a program where you integrate children with handicaps into regular classes, and yesterday I did make mention of one such project that's presently under way, a pilot project in the Brandon School Division. This one by the way does not deal with deaf children, but with multiple handicapped, but no doubt whatever we'll learn from the project involving multiple handicapped children would also have some transferability and some relevance and application to other programs, or to programs to meet other special needs of children.

Now I said that this is a problem in the rural areas, in the more sparsely populated areas, because of the fact that the special needs are varied and many, but the number of children that may be afflicted with the various types of problems are few, and therefore it becomes extremely expensive and in fact perhaps in some cases impossible to offer what we may call a traditional type of program such as one that could be established in a large urban community. And hence ways and means have to be found whereby school divisions would be able to in some manner on a co-operative basis, perhaps through the encouragement and the promotion of the integrated class where children with special needs are taken care of in regular class and so forth, with some support staff and this sort of thing. But this is a matter that does have to be reviewed, studied and analyzed carefully before it's implemented, and this is on-track right at the moment, a review of our special needs' requirements and eventually leading to a design for the implementation of a program to meet special needs.

And I wish to thank the honourable member for drawing to my attention the advisability of a preschool program for the deaf. I will take that as notice and check with the Special Needs Committee. It may well be that the Special Needs Committee is aware of this particular problem and is also looking at it; and in the event that it is not, I will simply draw it to its attention and would request the Special Needs Committee to also consider the matter of preschool training for the deaf or for any others that may fall within the special needs' category.

As I mentioned earlier, I would want to limit myself to matters related to Planning and Research, and the honourable member did also deal with the question of education financing, and at this point I would only wish to repeat again the point that - I've made on a number of occasions over the past couple of days, that at the present time there is a committee

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(MR. HANUSCHAK cont'd) . . . . established, an interorganizational committee involving the Department of Education, which is addressing itself to the matter of educational finance. And as I indicated at that time, I will repeat again, that in dealing with educational finance, one has to take into account the educational needs of the day and of the problems facing various school divisions for whatever reason - population density, sparsity, declining enrolment, the likelihood of a reversal of a downward trend in enrolment, just to mention a few factors that have to be taken into account. And also the point that the honourable member mentioned. He raised the question, should grants be tied to pupil-teacher ratio, or should we take into account the particular needs of a school division. And in fact at a recent meeting with the Committee on Educational Finance, I did point this out to the committee, being mindful of course that I want the committee representative of the various groups which it represents, teachers, trustees and so forth, to come forth with their proposals, but I did want the committee to be apprized of the concerns that we as government feel that there are and that should be met. And this certainly is one of them, because there are school divisions which may not enjoy the same tax base as other communities may, may not have the population that others do, but their special needs may be disproportionately greater.

So this matter is being considered at the present time, and as I indicated yesterday the committee will be reporting back to me in a few months and at that time, as I indicated then, upon the receipt of its report, government will deal with its proposals and it will then be my responsibility to take matters of policy to Cabinet for its consideration, and whatever financial implications they would have would be a matter for government to deal with.

MR. CHAIRMAN: The Member for Portage la Prairie.

MR. G. JOHNSTON: Well, Mr. Chairman, I appreciate some of the Minister's answers, but I don't believe he answered one question that was put to him. I notice in the annual report in the activities of the Planning and Research Branch, they had about eight or ten programs that they were either developing or transferring to other parts of the department - they were doing some analyzing work as well, but it stated in the annual report that the Planning and Research Branch was called upon to examine several aspects of the structure of the educational system. One of the tasks given to them was to examine the educational finance system with a view of monitoring and analyzing to determine the effects of the school division in programs.

Now, Mr. Chairman, as has been pointed out by the Member for Morris, all members on this side, I am sure, are going to be very intensively questioning the Minister on the financing of education in the next item, but before we get to that, I would like to know what your experts in this department have recommended, because they were called upon to do certain jobs and we would like to know what they did. What have they recommended to the Minister? What reports have they given him? We would like to see them. Of the whole department, 153 million has gone to the financing of education out to the school divisions. Of the eleven million left in the department to run the department itself, nearly 16 percent of that amount of money has gone into Planning and Research, and they'd better come up with some hard facts and some hard decisions by way of recommendation to the Minister.

It was mentioned in debate in the last several days, and there were terms used like the "white mice approach" and other approaches. The programs that were brought out for that 1.7 million, maybe in the years ahead they will have proved to have been worth that, I don't know, but one of the most important items facing the taxpayers of the province is the financing of education, and I note that you have given that over to the Planning and Research to study and analyze and make recommendations, and before we get into the debate on the next item, we would like to know what they have recommended to the government. We would like to know what of those recommendations you are going to take seriously and implement.

MR. CHAIRMAN: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Chairman, you know, the statement that I had given something over to Planning and Research is a misleading statement, because the honourable member attempts to create an impression of Planning and Research as being some entity quite separate and apart from the Department of Education. It is one of the branches within the Department of Education charged with certain responsibilities, and this is one of them. Planning and Research is involved - or some of their staff - in doing research work in the area of educational finance on a continuing basis, and working together with the Finance Branch of the Department of Education. And if the honourable member wants to know what the outcome of

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(MR. HANUSCHAK cont'd) . . . . whatever Planning and Research had gone into educational finance has been, or is for the forthcoming fiscal year, well that I announced in the House about three or four weeks ago.

MR. G. JOHNSTON: Well, Mr. Chairman, that's an odd answer coming from a Minister who's trying to get his estimates through the House. We on this side would like to see what Planning and Research did, what work they did on this, and let us see the studies that they've conducted, let us hear their recommendations. Surely they must have made recommendations to the Minister. You know, the answer the Minister is giving to a serious question, I can hardly believe it. You know, we are examining his estimates. He said, well, three or four weeks ago he made an announcement. I'm talking about the item that we're on right now. I want to know, members on this side want to know, what are we getting for our money in that 1.7 million that's gone into this department? And one of the most important things is, what is their thinking on the financing of education, because obviously they've made a study of it.

MR. HANUSCHAK: Mr. Chairman, you know, the honourable member speaks of the \$1.7 million that's included in the estimates for the Planning and Research Branch as if every dollar of it were earmarked for the study and review and making recommendations in the area of educational finance. I did give a breakdown of the expenditure of \$1,706 million on at least two or three occasions.

Now, I would also like to mention to the honourable member that practically all, certainly the majority of the demonstration projects that come under the jurisdiction of Planning and Research are in some way or another related to the matter of educational finance. In fact the REAP program is very closely related to educational finance. When we're talking about alternative methods of delivery of an education program in small schools, certainly we're talking about educational finance, because we're talking about the delivery of a meaningful education program wherein the population does not warrant, or makes it impossible and expensive to offer the type of program or programs that could be offered in a more densely populated area. So we're certainly talking about educational finance.

Now, insofar as when I said that I made my announcement three or four weeks ago, if the honourable member is talking specifically about grants to school divisions, well, I will repeat again that that announcement I had made three or four weeks ago, on that announcement I'm prepared to elaborate and explain to the fullest extent that the honourable members may desire when we come to the item, Resolution No. 47, entitled Financial Support Public Schools. I repeat again to the honourable member that whatever decision government makes, or in the process of making a decision of government, we have a professional staff that studies and researches the matters and makes recommendations to us, and on that basis we make our decisions. So the grant structure that we now have has been reviewed and . . . by my department, by many people in my department, because one has to consider not only the Planning and Research Branch, but one also has to consider what effect and impact it has on a variety of areas of operation within the school system, and we touch base with all in the process of making our decisions.

MR. CHAIRMAN: The Honourable Member from Portage la Prairie.

MR. G. JOHNSTON: Well, Mr. Speaker, really what the Minister is telling us in so many words, that that heading Administration and Finance under Planning and Research is just so much window dressing; it doesn't mean anything. They have nothing to recommend. The Minister hasn't told us anything - any of the recommendations. So, really, no matter what kind of a defence he is trying to make, that's just so much window dressing. It doesn't mean anything.

MR. HANUSCHAK: If the honourable member wishes to call that window dressing, he's at liberty to call it whatever he wishes to. I did indicate to the honourable member just a matter of a few moments ago, that, at the present time - and I'll repeat to him again - I have an inter-organizational committee involving my department - and Planning and Research is part of my department - as well as those directly involved in the operation of schools and those directly responsible for the preparation and approval of budgets for the schools, namely the school trustees, those responsible for the delivery of programs within the schools, the teachers and the superintendents and the school business officials, which includes the secretary-treasurers, and, I repeat again, my department. And within my department in the Planning and Research Branch. And I have deliberately appointed this inter-organizational committee

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(MR. HANUSCHAK cont'd) . . . . because these are the people who are out there in the field, have a firsthand knowledge of the problems and issues facing them, and they're working together as a committee with the assistance of my staff, and will be making recommendations to me.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I just have three or four very brief questions for the Honourable Minister. The first one relates to the school milk program which comes under Planning and Research, where there's an item of some \$265,600 indicated. I'm wondering, is this program intended to be promoted and implemented by the department all across Manitoba?

MR. HANUSCHAK: At the present time, Mr. Chairman, this program, the school milk program - and some of the milk, by the way, is purchased from the dairy in the constituency of the Honourable Member for Swan River--(Interjection)--Swan River - is for Frontier School Division.

MR. McKENZIE: Well then, can I ask the Minister another question? You are not considering, then, the possibility of, say, children from San Clara, which is a rather remote community, who have to ride on a bus till 7, 8 or 9:00 o'clock to get to school in Roblin, they're not being considered under this program?

MR. HANUSCHAK: At the present time we do not have plans for extending the school milk program into the rural, into the agricultural area of the province, but I'd be most interested to hear the honourable member's proposal for doing that.

MR. McKENZIE: Mr. Chairman, may I ask the Minister another question under the Community Nutrition Program. Is that intended only for one area or certain areas in the province, or is it for all the people in Manitoba?

MR. HANUSCHAK: No, Mr. Chairman, this is a pilot project developed co-operatively with the Province of Manitoba, its Department of Education, and the Winnipeg School Division, and is designed for children from kindergarten to Grade 4 in approximately 20 schools within what could be referred to as the downtown area of Winnipeg; the core area of Winnipeg, extending down from Lord Roberts School and up to Shaughnessy Park School in the north west end. Those would probably be somewhat the extreme points of that geographic area. And it is for those children because . . . Even in those schools all of the children will not necessarily take advantage of this program. The honourable member . . . I think I mentioned this to the House. There's a choice of one of three programs; either a breakfast program, the lunch supplement program, or a mid-morning or mid-afternoon snack, and the decision is made by each school, by the parents and teachers, as to the type of program that they wish to offer and, as I have said, all students will not necessarily take advantage of it but it will be just, oh approximately - I could give the honourable member the approximate percentage, in fact it's here in my Estimates Book and it will probably take me a minute or two to find it for him. That being a pilot project, running concurrently with it will be a study by a nutritionist, Dr. Fabbri, who has been retained to study the nutrition needs of the pupils in Manitoba on a broader basis, and then guided by the results of our pilot project and the recommendations of Dr. Fabbri, upon taking those two into account, a decision will be made as to the extent to which the rate at which we could consider expanding this program into the rest of Manitoba.

MR. McKENZIE: Another question. Are any of these moneys transferred from the Department of Health and Social Development to your department for the use of these programs?

MR. HANUSCHAK: No, Mr. Chairman. I should have also mentioned that the appropriation for the nutrition program is in the order of \$200,000, and the cost to the City of Winnipeg would be something slightly in excess of \$100,000 - \$110,000, \$120,000, somewhere in that order - which would be some nominal capital expenditures that may have to be incurred: the provision of refrigeration facilities, or heating facilities, storage facilities for food, or any minor alterations that may have to be made to provide for quick and efficient service of food and the like.

MR. McKENZIE: Another question. Is it the intention of the Minister or the department, then, to further develop these programs, because once they get started I wonder how you're going to cut them off, like I think you sent a letter out to the school trustees urging them to hold the line and the Premier indicated to the members of the Treasury Bench as how

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(MR. McKENZIE cont'd) . . . . they're supposed to hold the line. Now I wonder how you're going to hold the line on these two programs.

MR. HANUSCHAK: Well, Mr. Chairman, I think that there's a difference between . . . and one must distinguish between the institution, or rather continuing with the development of our education program in terms of bringing about whatever changes may be necessary to meet the changing needs of our population, and additional expenditures on existing programs where perhaps additional expenditures could be done without, for the time being, or any expansion could be of a more modest nature. So although it is true that we do encourage and we ourselves attempted to hold the line and have held the line on our expenditures, at the same time we have to recognize that the demands and the needs of the community at large and the development of our education program nevertheless are there, and they have to be met and have to be provided for. Now, this being a pilot project, as all pilot projects are and hence they are pilot projects, pilot projects are instituted as such for one of two or three reasons, either (1) to test the basic feasibility of it and the desirability of it; or (2) to test the style and the method of delivery of it. And then, after it has run a certain length of time, to evaluate it and then determine the manner in which and the rate at which it could be expanded. But I really do not believe, Mr. Chairman, that the institution of a pilot project on school nutrition, or the institution of any other new programs in response to the needs of the people of the Province of Manitoba, is in any way running counter to our desire to hold the line on expenditures.

MR. McKENZIE: One more question, Mr. Speaker, under the evaluation which has been conducted by the Planning and Research Branch of the department. I wonder if the Minister can advise me what safeguards or indicators he has, or his staff has built into the Department of Education system to guarantee that there is equal quality or equal opportunity for all students across Manitoba. I wonder if they have some form of a study or indicators that the kids are getting that kind of an education, equal to all, today.

MR. HANUSCHAK: Mr. Chairman, we are working toward the establishment of equality of educational opportunity in the Province of Manitoba.

MR. CHAIRMAN: The hour being 4:30, the last hour of the day being Private Members' Hour, Committee rise. Call in the Speaker. Mr. Speaker, your Committee of Supply has considered certain resolutions, reports progress, and asks leave to sit again.

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for St. Vital, that the report of the Committee be received.

MOTION presented and carried.

PRIVATE MEMBERS' HOUR - ORDER FOR RETURN

MR. SPEAKER: Private Members' Hour on Wednesday. The first item is Order for Return held over for debate. The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Well, Mr. Speaker, when the Minister of Agriculture made it evident that he was not going to comply with the order, and he gave various grounds, I asked to have the order debated and then of course voted upon. But I refer members of the House to the annual report of the Milk Control Board, which is set up by an Act of the legislature, the Milk and Dairy Products Control Act, which was passed in 1970. The Board is required by legislation to have their annual report tabled in the Legislature, and anything that's in that report is public information. It's paid for. The expenses of the Board, if any, were paid for by the taxpayers, and of course it is commonly thought by most citizens that the actions of a government-appointed board accountable to the Legislature, then the people of the province should know anything they desire to know about the activities of that Board. So on Page 20 of the Milk Control Board annual report is the mention made of the whey plant proposal, a cost to the Board and directly to the taxpayers of \$9,271.

Upon asking for a copy of this proposal from the Minister of Agriculture during his Estimates, he was first of all evasive - it took three questions before he would consent to answer directly - and he said, first of all he said that this document was an in-House or inter-departmental document and therefore he wasn't required to table it. Well, Mr. Speaker, I

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(MR. G. JOHNSTON cont'd) . . . . just pointed out that it makes up part of an annual report that is required by law to be presented to the Legislature, it's not an inter-departmental document or it is not an internal document of the Department of Agriculture.

The Minister, in stating his reasons that he was not going to entertain the order, said, and I quote: "Mr. Chairman, I think that the order, to say the least, is premature in that the matter is still under review and all of the studies have yet not been completed and a decision not been made." Well, Mr. Speaker, during debate under the Minister's Estimates, the Minister admitted that they intended to go ahead with the whey plant construction providing they got a DREE grant, so that answer doesn't stand up that the decision has not been made because he admitted, under questioning in his Estimates, that it all hinged on whether or not Crocus Foods got a DREE grant. The fact that Crocus Foods has received a \$140,000 loan from the MDF makes the Minister's statement look rather foolish. So he can't make us buy that sort of an answer because the Minister knows full well that we know he intends to proceed if he gets this DREE grant. The very fact that he said it depended on a DREE grant, even though he didn't believe in DREE, he said he "was going to take every nickel he could get," and I believe that's a direct quotation of the Minister.

But what disturbs me, Mr. Speaker, is that when I checked the Milk Control Act to see whether or not the Milk Control Board has the authority to carry out a study of this nature, I am of the opinion that they committed an illegal act in expending \$9,000 of moneys on a whey plant proposal. Nowhere in the Act does it say that they have the authority to carry out that sort of a study. The nearest I can come to giving them that authority is Section 7(1), and it describes the duties and powers of the board, and it says: "The board may investigate and study co-operative, municipal, and other systems of distribution of milk and dairy products, and the conditions of the dairy industry in Manitoba or elsewhere, and report thereon to the Minister." And then there are several other paragraphs, none coming anywhere near giving the authority to expend moneys on a proposal.

Mr. Speaker, if the board had this authority then this would mean that any private firm, any co-operative, or any other body, a municipality, could come to the board and ask them to conduct a study on their behalf at a cost to the province, and that is not the purpose that the board was set up for. The board was not set up to undertake studies for other corporations or individuals. The fact that they had spent the money and carried out the study, and are going to obviously use the results on behalf of Crocus Foods, and in my opinion is a violation of that Act. It's a violation of the Act, and there should be some accounting done here by the Cabinet to the board as to why they have acted in this strange manner, because they have not the power in my opinion under the Act to spend money in this manner.

So, Mr. Speaker, that makes it all the more important that we do, members of the House do have a copy of this proposal because the proposal is being put to use for a Crown corporation. Crocus Foods is a Crown corporation. The use that is going to be made of this expenditure of money is strictly in the interest of whoever is behind the Crown corporation, and of course we know it's some of the Ministers, the Minister of Agriculture has had an influence in having Crocus Foods set up. We understand that. Now if that is not true, then I would like someone on that side from the Cabinet to explain that to me.

Another thing that strikes me as very odd in this whole thing, Mr. Speaker, is that out of nowhere a corporation is brought into being, Crocus Foods. They have no record, they have done nothing, they have earned nothing, they have nothing behind them whatsoever, but they're formed, and if anybody can tell me in their experience, in the knowledge in the dealings of the MDC - now it's called the MDF - where a new corporation with no background of experience, no track record, can go out and get \$140,000, I'd like to know about another case. I would like to know about any other case where the MDF has advanced \$140,000 to a group of people, a board of directors of a Crown corporation for something that they don't know, in the words of the Minister, whether or not they're going to proceed or not. As a matter of fact, the Minister stood in his place during the estimates and said, he said, Mr. Speaker, that if they decide not to go ahead with this plant, then the \$140,000 would be written off. Well, I would like to talk to the Board of Directors of MDF, and I am going to come to the committee meeting and ask him how Crocus Foods would qualify for a loan for a business that they may not go into, according to the Minister of Agriculture, for a business that also the Minister said he didn't think would show a profit for a great number of years if they decided to go

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(MR. G. JOHNSTON cont'd) . . . . ahead. And then he said he wouldn't even go so far as to say it would ever make a profit, he would hope for a break-even experience in this connection.

So, Mr. Speaker, I think more is at stake here than a government-appointed board spending a few thousands of dollars; what's at stake here is the way the government is going at getting something that they want, and they want a Crown corporation operating, competing with the dairy industry for milk products, or raw milk. They don't care how they go about it as long as they get that. They've used the Milk Control Board preliminary study, they've used the MDF for a loan, and by what influence I don't know - but I intend to ask Mr. Parsons this in committee - as to how a company like this with no experience can receive a loan; how a Minister can publicly state that they don't know whether that loan will ever be paid if they decide not to go ahead. So I think what's at stake here is the power of government being used to attain their ends in a way that isn't honest and direct and above board.

. . . . continued on next page

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MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Well, Mr. Chairman, let me add a few more thoughts to the concern already expressed by the Honourable Member from Portage la Prairie re the very legitimate growing concern that we have on this side and shared by many people outside of this Chamber, particularly those directly involved in the industry, about the now very now obvious unwillingness on the part of the Minister of Agriculture and this government to tell us what their plans are vis-a-vis the Crocus Foods Corporation, and what possible effects it will have with the distribution of a pretty important food element in our province. Mr. Chairman, let me make it very clear that I would - and I'm looking directly at the Minister of Consumer Affairs, that he should be right about now showing some concern or at least some nervousness about what his colleague, the Minister of Agriculture is doing. Is he that confident as the Minister responsible for having some concern for food costs? That the business venture that his government is now venturing into could not have pretty cataclysmic effects on this item that people of Manitoba have to buy every day? Is he not at least concerned that, you know, that in comparison we apparently are already paying, you know, reasonably good prices for the commodity, higher prices for some other commodities, that similar commodities are available across the line; is he not at least concerned that with the track record this government has, whether it's making buses or planes, that he's prepared to, you know, he's prepared to put milk into that same category? Well, Mr. Speaker, we are concerned, and the people are concerned. Mr. Speaker, there have been, you know, headlines, particularly of course in the rural press, "Government Milk Plant Could Close Medo-Land," that's at Grunthal; "Brandon people are highly exorcised" about the possible diversion of milk products from their plant to sustain this plant." There are so many interlocking concerns here that should involve the Minister of Industry and Commerce as we try to maintain, you know, what surely has to be ceded by all a very natural kind of development for rural parts of Manitoba, where the product is agriculture, it should be processed as close as possible to the source, and it is there. In all too many cases currently marginal, but surely no hope of improvement if we have to take from that source and from these plants a product away to build up a colossus at Selkirk, called Crocus Foods.

The Honourable Minister in talking about the plant speaks very unconcernedly that it's going to be losing money of course for the first number of years, but those dollars that are going to be lost are going to be added to the price of dairy products in this province, Mr. Minister of Corporate and Consumer Affairs. Now this is not something that we can't talk that we haven't some jurisdiction over because we're under the influence of international or world or American or big company, you know, corporate policies, inflation, this is something that we're trying to decide right now in this Chamber, except that the other side isn't playing ball with us, Mr. Speaker. They're not even prepared to give us any information, they're not even prepared to submit any of the information that has been already gathered at public expense. What they've told us, Mr. Speaker, is, oh, in due course a bill will be presented in this House, and then of course they can use their majority to ram through whatever they want. As has been suggested to me, and I've always understood that to be, I quite frankly think the idea that a bill has to be presented in this House is nonsense. There's absolutely no reason why the Minister of Agriculture, or this government wouldn't present that kind of a bill in this Chamber. And quite frankly, Mr. Speaker, how naive does he think we are? Particularly after the kind of questioning, admittedly that we haven't gotten anywhere with our questioning, but we've at least indicated our concern about this matter. All the more reason for him not to bring a bill into this Chamber where, you know, obviously further questioning would take place when he doesn't have to, and he doesn't have to, Mr. Speaker. There's no requirement at all for him to carry out his plans for Crocus Foods, and a diversion of milk products from other parts of rural Manitoba to Selkirk to bring this about.

Mr. Speaker, really I think the Minister's intentions are clear. All his reports, and, you know, from time to time I like to believe the government propaganda sheets that they turn out - you know, mainly it's because they still print them in the blue colour and blue is appealing to me - but when he says, on November 9, 1973, "Whey corporation to be established," now that's a statement of fact, that's a statement of fact, Mr. Speaker, that's not just a question of whether they're investigating the desirability of going into it or not going into it, as he now indicates in this Chamber. Mr. Speaker, when they make a formal application to the Federal Government for substantial funds, Mr. Speaker, when the government makes a formal

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(MR. ENNS cont'd) . . . application to which the Premier's signature is affixed, to which the administrator's signature is affixed, in which , among other clauses of that statement, it acknowledges that whereas incorporation of a corporation is required as soon as possible in order for financing contracts and management of whey and skim milk powder plant and associated . . . to be arranged, I think we're talking about facts, Mr. Speaker. Mr. Speaker, the facts that the government have not been prepared to talk about are the kind of fairly legitimate requests that I made. . .

MR. PAULLEY: Mr. Speaker, I wonder if my honourable friend would be prepared to table that . . . that he referred to . . .

MR. ENNS: Certainly. I'm sure it's probably in your First Minister's office, but . . .

MR. PAULLEY: It's in the office, but . . .

MR. ENNS: Order-in-Council No. 1180, so I would suspect that I would like to keep my file, the meticulous file of my member from . . .

MR. SPEAKER: Order please. The Honourable Minister of Labour on a point of order.

MR. PAULLEY: Mr. Speaker, the Honourable Member for Morris from his seat interjected that he does not have to table it. I didn't order him or suggest any dictatorial approach to it, I just out of courtesy asked my honourable friend the Member for Lakeside if he would kindly table it. So I suggest my irascible friend from Morris is misconstruing my intent. I simply ask the co-operation of the Member for Lakeside, if he wants to say no, well that's quite all right with me.

MR. ENNS: My immediate disposition is of course to accede to the Honourable Minister of Labour's request because I am that kind of a co-operative fellow, particularly when I'm approached in a reasonable way, as I was. However, having listened so often from the side opposite, from the First Minister himself, that says that we should burrow through reams of back copies and reports, and what have you, because somewhere along the line it was published, when we ask for things in Orders for Returns or for questions, and we sometimes point out that it might be easier for the government to give us that information rather than put that extra pressure and burden on already limited opposition staff, then I would have to say to you, Mr. Speaker, that if I properly identified the document that I'm reading from, Order-in-Council No. 1180, which is, I am sure, the original copy in the Premier's office, as it should be, that that would be fairly co-operative in indicating to the government as to whence my information comes from. --(Interjection)-- The date is the 7th day of November, 1973. That by the way coming two days before the News Release saying that the whey corporation to be established.

Now, Mr. Speaker, it was when that information became public that I undertook, if you will recall, a request by the government to re-examine their position, to re-examine their obvious state of readiness to proceed in this area without at least first acknowledging some of the matters that are contained in the Dairy Act - a law which they should uphold, which the Minister up to now has given scant notice to - which indicates very clearly that no person shall do these and these things, plan expansion of new plant, build new plant in the area of dairy processing, unless an application is made, unless a permit is granted, unless an advisory board is established. Mr. Speaker, the Honourable Minister went so far as to indicate that once he had made his mind fully up, and once he had convinced his caucus and Cabinet of that fact and was going to present a bill into this Chamber, he would then let an advisory, a group of citizen advisory groups counsel him as to whether or not - what, Mr. Speaker? Whether or not his mind was made up or not? Well surely, Mr. Speaker, that's carrying things to the ridiculous extremes.

Mr. Speaker, the fact of the matter is, the government has indicated, and we've been able to at least do this much, indicated in this manner that they intend to move without regard to existing industry, without regard to the potential consequences to the consumers of the product, and without regard to the primary producers, and none of them have been brought into discussions.

I wonder, Mr. Speaker, if confronted with the facts and the information that probably only the Minister has, would for instance the Consumers Association of Manitoba want to sit down with him and say, "Yes, this is a high priority area. We feel that, particularly with this government's enviable record of getting into business, that we would feel much much more comfortable, much securer if the government went into the milk processing business." Now

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(MR. ENNS cont'd) . . . have they made that particular request? As a matter of fact, Mr. Speaker, I find that quite the opposite is true in another area when understandably legitimate concerns were being expressed about the high prices of food in general.

There is an active group in the City of Winnipeg that has lobbied the government, suggested that the government should get into the direct retailing of food. For some reason or other this government has shown some hesitancy in doing that. I think their reasons are obvious that they are far from sure that they can indeed get into that business at any great savings, if any savings at all, to those whom they are hoping to provide foodstuffs at a more reasonable price.

But, Mr. Speaker, you know the whole of the urban backbench support of this government sits silent, the Minister of Corporate and Consumer Affairs sits silent. He can wax hot and heavy when the price of bread goes up two cents, or what have you, and get very concerned about the price of sugar, as he should be as our Minister of Corporate and Consumer Affairs, and I'm sure he's concerned about the current price of butter. But he's showing absolutely no concern, and certainly exercising no influence as a fellow Cabinet Minister on his colleague, when that colleague is about to embark into a venture that could have major ramifications for food costs. --(Interjection)-- Well, I'm trying to be patently fair, I'm saying, could have. I'm just suggesting that we are at least not being privy, allowed to be privy to that decision making. We have been told that we will be let in on the decision only after it is made. And then to express it in the traditional way that we can express it in this Chamber with ayes and nays I suppose, and there's fewer of us than there are of you, and so it is the old numbers game that will prevail. But that's fine, Mr. Speaker, that's fine if that satisfied the Minister of Corporate and Consumer Affairs, if that satisfied the Member from Wellington or St. Matthews, as being proper, as being a whole full-scale, you know, information gathering process that's taking place, then that's I suppose they are prepared to suffer the consequences.

Mr. Speaker, I regret very much that the Minister has chosen not to take us into his confidence. I think the request made by my honourable friend the Member from Portage la Prairie is a reasonable one. I think there is every indication inside this House and outside this House, that this subject matter has generated a great deal of concern, that the government would be wise to pursue an open policy on this matter. And for them to refuse, refuse us simple basic information that was gathered at public cost, is really quite understandable, not understandable.

Mr. Speaker, I think we have an occasion to study in advance and to sort out our position in advance, unlike some of the other ventures that the government has found themselves into and later regretted. This is a situation that we're walking into with our eyes wide open. The members opposite choose not to take neither the outside community, those most directly involved in the processing industry itself, nor the primary producers, nor the consumers, nor the members of the Opposition, into their confidence at this particular time, and that, sir, I am sure will be regretted. I'm doing what all we can do, is to express that regret and hope that perhaps even at this late date some influence will be used by some members opposite on their Minister of Agriculture, who after at all doesn't want to be alone in the front bench that doesn't have a factory tucked under his belt somewhere or other, at no matter what price tag to the public.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Speaker. I want to add a few words to what has already been said. I've mentioned before in the House, and I'll mention again, that the milk commodity is of vital concern to my constituency, to the economic of my constituency, not only in having most of the producers in Manitoba in that constituency, but also having one processor in the constituency and one just out of the constituency, namely in Grunthal and the constituency of the Member from Emerson.

I'm sure if the Minister of Agriculture would ask his Member from Emerson what he thought of, or what his people thought of the whey processing plant, I'm sure he would receive the same type of a speech from him that we are trying to portray across the floor of this House here today.

The people of Grunthal have expressed a lot of concern, not only to the Minister but also to the newly formed Manitoba Milk Producers Marketing Board, and it is of major concern to these people in southeastern Manitoba. I think that it's time that we received some more information on it. As the Honourable Member for Lakeside mentioned, the wheels of government are turning, the Manitoba Milk Control Board has issued \$9,271 for a whey plant proposal.

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(MR. BANMAN cont'd) . . . The Manitoba Development Corporation, another government agency, has issued \$140,000 for a study of this whey plant. The Department of Agriculture is involved, and we have a DREE grant presently before the Federal Government.

Mr. Speaker, I think the Minister of Agriculture in a very subtle way is going to try and force the hand this summer. He's implemented several policies with regard to milk quotas and pricing in Manitoba, which could possibly create a surplus of milk this summer. Several things have happened. No. 1, he's done away with the quota system, which means that there is no incentive for farmers to keep up production during the winter months, and we all know that it's cheaper to feed an animal when he's out grazing on grass than if you have to put up bales which is quite an expense, and then feed the animals in a shelter.

Mr. Speaker, because of the low price of beef and the experiences of loss the cow-calf operators and the general beef producers are experiencing today, I think that we will see this summer a substantial switch by many of those people into the dairy industry. This will create a problem again in that we'll probably have a certain amount of over-production. When this over-production is sent to the different factories that are producing it, I'm sure the Minister will have his men ready and waiting to see exactly how much of the milk is skim and milk dumped, and then the Minister will use this ploy to justify the creation of the Crocus Foods in Manitoba.

Mr. Speaker, I think that the rural people of Manitoba are starting to see the way this Minister of Agriculture thinks, and I suggest to you here today that the Minister's mind is made up; the Minister wants to control the dairy industry in Manitoba, and he intends to do so. And he has done it, he has set the whole machinery up and he's done it in a very very subtle way. He has created and probably forced an issue, and will cause by this issue to gain certain public support within metropolitan Winnipeg. But I tell you today, Mr. Speaker, the people in rural Manitoba when it comes to Crocus Foods and to the production of agricultural commodities, knows what the Minister is up to. And it's my responsibility to portray those concerns in this House and to tell the government, and the backbenchers especially - and I would challenge the Member from Emerson to get up there and talk to his Minister, and tell him what the concerns of his constituency are and what the concerns of rural Manitoba are, because we know the track record of this government, when it comes to running a Crown corporation it costs the taxpayers a lot of money, and I think we're paying enough for our products right now without the government taking their 10 or 20 percent off the top of it.

So, Mr. Speaker, I think we are entitled to all the information that we can possibly get with regard to Crocus Foods. The economy in my constituency is vitally concerned with this issue, and I as the elected representative want to know what this government is up to.

MR. CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: Thank you, Mr. Speaker. I, like my honourable colleague from Lakeside, believe that the Order for Return is a reasonable request in view of the history that's developed on this Crocus Plant proposed for Selkirk, because if we recall, Mr. Speaker, I think the first comments regarding this plant came out some two years ago, and at that time I think they indicated that a serious pollution problem may be transferred into some 10 million pounds of food, and at that time it was our understanding from a News Release that they were talking somewhere in the order I believe \$2 million for this plant. Then when it was investigated into with regard to the volume of food they were going to reclaim and the cost factors, and so on, all of a sudden it was up to the order of 6 to 8 million dollars. So, Mr. Speaker, from the original two million dollar plant, it then went to an eight million dollar plant, and then all of a sudden when it was indicated to the Honourable Minister that the volume of whey that's produced from the cheese by-product would mean that the plant would only operate a few days a month.

So what did the Honourable Minister come back and say? Well not only do we have a pollution problem, but we're also wasting milk. So the Opposition proceeded to try and find out just how much milk was being wasted, and in fact it was raised in the House during the Honourable Minister's Estimates, and at that time he did not have the information but was able to find the information for a TV interview the following evening and proceeded to advise the House via TV the volume of milk that was being wasted the previous year. Now no one likes to see food wasted, particularly in times when people are starving in certain parts of our world, and then

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(MR. MINAKER cont'd) . . . particularly the price of our food, but when we started to look at the value of this food that they were going to save, it turned out to be somewhere in the order of about \$18,000 for a whole year's waste; it represented less than .04 percent of the total dollar value of the Milk Producers Market in Manitoba for last year, yet it justified in the Minister's opinion an eight to nine million dollar capital investment in an industry that is already at this time short of milk for cheese production.

So, Mr. Speaker, one wonders with this history as it developed, and the Minister kept changing his reasons why he wanted to build this plant, to me it becomes very valuable to know what's in that proposal, and for the people of Manitoba to be aware of this, and I think this is a legitimate request, an Order for Return, so that we are aware of just what the government has in mind, because it seems to change its mind every month or every year. As the First Minister has indicated earlier in the year, this is the time of inflation, that we must cut back our capital expenditure, yet on one hand the First Minister says this, and on the other hand the Minister of Agriculture is out to build himself a factory. And for what reasons? To save some \$18,000 in losses and to produce some whey?

So one wonders, Mr. Speaker, why the government hasn't approached the industry and said, you know, is there a way that you can stop this pollution problem? They didn't take this approach, no, they took the other approach, they immediately announced that they were going to build a whey plant; then they immediately went out and tried to get the processors to sign an agreement that would give them back their by-product from milk that they'd already paid and bought and owned, or at least they thought they owned it. And when one talks to the industry there appears to be people in the industry - and we're not just talking about one company, we're talking about several companies - who are interested in drying whey or rolling it and spray drying, and surprisingly the capital outlay could do this particular process isn't as great as it's made out to be, and there's been definite interest shown by several companies that they want to get involved in this. And then we also found out that part of the pollution problem can be overcome by using it as fertilizer or for hog feed.

So, Mr. Speaker, it obviously all points to one thing, that the government primarily wants to get into the milk processing field full-scale, and at the cost of the existing processors who they encouraged to come here many of them, and to develop here, and then we find out that the same processors are operating in the orders of 40 and 28 percent capacity. I believe the Dauphin plant is operating somewhere below 50 percent capacity and would like to have more milk. Similarly, the Winkler plant I believe is operating at low capacity. So the demand is there for the milk, yet this same government is going to turn around and place a demand on the milk for their own plant and drive these existing processors out of business.

So in the long run, I am concerned like my colleagues from Lakeside and from La Verendrye, one from a consumer point of view, what's going to happen to the price of our milk, the price of our cheese, and so on, because obviously this plant, if the government is sincere and is only going to look after the dumpage of waste milk and also pick up the whey, it's not going to operate very many days in the month and it's going to have to be subsidized, and we would like to know who's subsidizing it. Will it be the milk industry, or are they going to go out and start to divert enough milk to keep this plant running efficiently and as a result put out of business the processors who already exist here and provide decentralized employment, which is an important issue to this government? Is this what the government is after? Because they aren't living up to their aims of cutting back capital costs in the years that we're looking forward to at the present time, high inflation rates, they're not looking towards that theme. They seem to be looking towards it when we talk about highway improvements. The Honourable Member from Thompson talks about not needing highways, yet this government seems to be more interested in other ways, they seem to be interested in the Milky Way instead of the highways.

So one starts to wonder what this Minister is planning with this project, and why is he hiding these facts and figures when they're raised. And this is why I think, Mr. Speaker, that it's important that this Order for Return be allowed, because in our opinion it will be useful information for the Opposition to be aware of what this government is really proposing with this plant. They've given us indications that have changed month by month, and when it is shown that it's not necessarily a major problem with the issues that they've raised, then they bring up another problem. When it's shown that it's not as great a problem or there are private industries interested in looking after that problem then they change it to another issue.

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(MR. MINAKER cont'd)

So, Mr. Speaker, this Order for Return in our opinion is a fair request and an important one, because it's going to commit the taxpayers, if the government proceeds with this project, it's going to commit the taxpayers of Manitoba with many millions of dollars of capital expenditure, and then I would think many thousands, hundreds of thousands of dollars of annual subsidy or losses, if it's any indication, the track record of this government, it could run into half a million a year, or maybe it'd be half a million a month. And I think it's an important item, it's going to affect the basic essentials, the food essentials that the people of Manitoba have enjoyed through the years at a reasonable cost, and now all of a sudden we can foresee the government becoming involved, and all of a sudden changing that pattern that we have enjoyed as taxpayers and food consumers in this province. And I would hope that the Minister would reconsider, that he allow this Order for Return to stand.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, the subject matter of the debate that is now before the House is one that has been raised before, and one in which we were singularly unsuccessful in getting any information from the Minister. It seems as though the Minister is particularly reluctant to provide information to the House, whereby he would provide it to everybody else outside the House, and particularly to his friends in the NDP Party. He feels no compunction at all about making announcements about all and sundry when the meeting of the clan has been gathered, but when similar questions are asked in this Chamber, somehow or other he feels a great reluctance to provide any information. And indeed on occasions, members opposite from the Treasury Benches have suggested that if we want information, why don't we consult the daily papers. And there I would remind you, sir, that they're the same members that from time to time castigate the daily press for printing inaccurate information by not reflecting the views of honourable gentlemen opposite as accurately as they would like to have them reflected.

And so, sir, what I do in the course of my remarks is to go to the newspapers. . .

A MEMBER: Identify the paper.

MR. JORGENSON: Oh, for the benefit of the Acting House Leader and the Acting Premier . . . .

A MEMBER: Acting Minister of Agriculture.

MR. JORGENSON: . . . and the Acting Minister of everything I guess, who jealously guards the privileges of the House while his superiors and inferiors are away, I will identify the particular publication for his benefit so that there should be no questions about where it came from. It comes from Page 18 of the Beaver, December 18, 1974, and I am sure that the Minister will find ways of acquainting himself with that particular publication and get the information that he's seeking.

But I want to quote a few sections from that particular article to indicate to you how willing he is to give information to others where he denies it to the House. "According to Mr."- they don't even refer to him as Mr. Uskiw, they say, "According to Uskiw, the situation is quite clear," and of course in his mind the situation is quite clear - "at the moment there are inadequate facilities in the province for handling whey." Now that is a profound observation on the part of the Minister that he has elaborated upon on other occasions, "Which is a by-product of the cheese-making process." Now, that information provided the House enlightened us considerably. "It is currently being discharged from cheese-making factories as waste, presenting all kinds of environmental problems." Well, sir, if there are so many environmental problems associated with the discharging of whey as a by-product from the cheese-making process, the cheese factories have themselves found a way to overcome that environmental problem. And as was pointed out earlier, it was another Minister of that same Cabinet that created that environmental problem by passing regulations that made that problem one that the Minister of Agriculture had to deal with. But that's a characteristic attitude on the part of honourable gentlemen opposite, one creates the problem and the other one resolves to solve it, and they're constantly solving problems created by themselves.

But the fact is that on numerous occasions cheese factories have been confronted with - and not only cheese factories, industry in general are confronted with problems from time to time, many of them created by regulations of the government. They find a way to solve those problems, and to a large extent the problem that is outlined by the Minister in this article was

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(MR. JORGENSON cont'd) . . . solved, solved in two ways: First of all, one cheese factory - I think it was in the Pilot Mound area - decided that it made an excellent fertilizer. It was too expensive to have the by-product processed, hauled away to another area to have it processed into a whey product, they just used it as a fertilizer, and it made an excellent fertilizer. And the environment problem that is so concerning the Minister disappeared. On the other hand, the Modern Dairies - and I hesitate to even mention that word in this Chamber with honourable gentlemen opposite - they decided that from their own point of view they could handle the problem by installing the dairy kind of equipment - on a much smaller - of course, their sights are never as high as the government's - but on a modest scale, they even went to the extent of purchasing equipment to deal with the very problem that the Minister suggested is causing so much trouble from an environmental point of view. And what happened? They were refused a permit to put that equipment in; they were refused the rights to handle a problem the Minister said was causing great difficulties for the government. And such heartrending concern on the part of the government. The Modern Dairies could have dealt with that particular problem as it applied to their own plants, and as it applied to plants in the entire southeastern part of the province.

But what happened? No, the Minister refused to allow them to have a permit or a license to install that equipment. Why? Because he had his own plans. And he has the audacity to come into this House now and suggest that he has not decided now what he's going to do. We know darn well that he has made up his mind, and he knows what he's going to do. And then he suggests that we should wait until he brings a bill before this House, as if that's going to be any consolation to members on this side of the House, or members of the industry.

But what complicates this whole matter even more is the situation that has developed as a result of action that the Minister has taken in another area, and that is in the question of the delivery of fluid milk to the Fluid Milk Market. And it was the Minister's decision to eliminate the quotas, and by eliminating those quotas he thereby created another problem, the problem of providing a continuous supply of milk to the fluid milk market. And what has happened as a consequence of that action is that manufacturing milk plants outside of the city now are compelled to transfer as high as 40 percent of their total milk requirements into the fluid milk market, and they're operating at half capacity. And if he had so much concern for the rural class and for the rural areas, then why doesn't he express that concern in allowing those people to operate those plants by ensuring that they get a continuous supply of a raw product in order to make those plants viable? He's going to put every one of them out of business. And nobody can tell me that that isn't his stated objective, that's precisely what the Minister's after, putting them out of business.

Then he goes on to say, "Depending on the results and the findings of the feasibility study that is currently under way," says Mr. Uskiw, "it's probably the case that no matter where a whey processing plant was located in the province, it would prove to be an uneconomic function as a single operation." Well, you know, he's setting the stage for an entry into further processing. What he is suggesting, that the setting up of a whey processing plant by itself is uneconomic, and yet Modern Dairies was prepared to do that very thing, set up an uneconomic operation. They might even lose money by it. The Minister says no, we can't do that, what we've got to do is set up something in addition to a whey processing plant, let's process manufacturing milk as well, skim milk powder. In other words, let's take away from the rural plants their means of livelihood; let's concentrate it all into one area, into Selkirk, and then eliminate all the co-op plants and all the other privately owned plants that are distributed around this province.

Then he goes on to say, "This is why we are looking at the possibility of using the whey processing equipment in a dual role. The suppliers we're negotiating with assure us their equipment can also be used to process milk into milk powder." It's a revelation. And so what's going to happen to all the processing plants out in the country? They're going to remain idle, they're going to rust, they're not going to be used. All for the sake of this panacea on the part of this government, that by centralizing everything they create a greater degree of efficiency.

Then he goes on to say: "Furthermore, it is foolish to buy equipment for processing whey into powder without trying to improve the overall economics of the operation by finding other functions for it to perform." That's precisely what Modern Dairies were attempting to do in Grunthal. But when an individual, or a company using their own money and not taxpayers'

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(MR. JORGENSON cont'd) . . . money, are attempting to do the very same thing, then for some reason or other that is bad. Then the government say no, they've got to put a halt to that kind of thing. He says, "If the same machinery can be used to process milk into powder, then for goodness' sake, let's do it." Well, and I say to the Minister, if the same machinery can be installed in an existing plant in order to process the by-product of cheese into whey, then for goodness' sake let them do it. And it isn't going to require any bills on the part of the government, as if that's necessary in this instance in any case. The Minister says you got to have a bill before the House in order to set up a whey processing plant. I don't recall a bill coming before this House to set up Flyer Industries. I don't recall a bill coming before this House to set up Saunders Aircraft, or any other, and there won't be one to set up Crocus Foods, because it isn't necessary. So who is the Minister attempting to kid when he says he requires a bill in this Chamber in order to set up a whey processing plant?

Then he goes on to make this further profundity. He said, "You can't look at this part of the province as it is today and make judgments about the wisdom on what we are trying to accomplish in Selkirk." And that is a fact. You can look anywhere and you can't find any wisdom in what they're attempting to do at Selkirk. You have to be aware of what this government and producers in the region are trying to do to appreciate the ultimate value that the proposed facility will have. Outfits like - and this is really something - outfits like Modern Dairies are not interested in or even concerned about the long-term development and improvement of the Interlake and northeastern regions of the province, their business is making money in the here and now. And I only wish, Mr. Speaker, that this government when they engage themselves in business, would take that same attitude, would take the same attitude that their prime responsibility in going into business is to make money, then the burden on the taxpayer would not be so great. Then the ventures that they enter into may not be so subject to criticism as they are today. You know, the statement that they're not interested in the future or not interested in the long-term development of any particular area, you know, smacks of the worst kind of nonsense. Because any company or any group of people who invest their money in any particular area want to get a return on that investment over a long period of time? And to suggest that they do not have an interest in the long-term development of any particular industry, or any particular area, is just a lot of baloney. The Minister does not know whereof he speaks.

He said, "We can expect that our goals will conflict from time to time." And without drawing the conclusion that the roof is going to fall around our head just because we have our points of view and they have theirs, there's only one difficulty with that particular statement, is that the roofs will fall in on somebody's head, and it won't be the government because the government, you know, can back up their investment with the assurance that as long as they're the government the poor taxpayer's going to get it in the neck. And also that the government can use any device, any device that they want, to ensure that the competition between the private industry and the government is as unfair as they can possibly make it. And they do it. That's a standard practice on the part of this government.

And finally, Mr. Speaker, in a speech that the Minister delivered on the -- and I draw this again to the attention of the Acting Prime Minister, the Acting House Leader, the Acting Minister of Agriculture. . .

A MEMBER: The Acting Minister of Labour.

MR. JORGENSON: . . . in a speech that was made to the Manitoba Dairy Association at 11:00 a.m. on February 19th of 1974, the Minister went on to point out that - and I'll read that section to you so that you catch the import and the significance of it: "Government involvement in the dairy industry is greater than in any part of agriculture. Also the government became deeply involved in the dairy industry at a much earlier date than in other parts of agriculture." He said: "Milk Control Acts in all provinces date back to the 1930s." Then he goes on to point out that government regulations have controlled the dairy industry for many many years. Then he makes this observation: "Government involvement also reflects the failure of the producers to come to grips with their problems, or, to put it another way, the failure of the so-called free enterprise system in a sector that is vital to the population." He first of all says that it's been under government control for 40 years, then he blames free enterprise for it.

MR. SPEAKER: Order please. The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 2:30 tomorrow afternoon (Thursday).