

TIME: 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY
ESTIMATES - MUNICIPAL AFFAIRS

MR. CHAIRMAN, D. James Walding (St. Vital): Order please. We have a quorum, gentlemen, the Committee will come to order. I would refer honourable members to Page 47 in their Estimates Books, Department of Municipal Affairs.

Resolution 90, Municipal Assessments (a) Salaries. The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I had a couple of questions. On the reassessment of these various areas, how do you arrive at the decision in the order in which they will be reassessed? Is it done with the co-operation of the Union of Municipalities or with the individual municipalities or is it all done out of your office?

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Mr. Chairman, number one, first of all you have the time element which by legislation is a requirement. Secondly, also on need. Really, it depends on the amount of development and transactions that have taken place in that municipality over the last number of years, so a municipality that likely has not had that much development take place or changes in land transactions and the like, would not proceed as quickly as some other municipality which has experienced a great amount of development.

MR. MCKENZIE: The second question, is there a fee if you appeal to the Municipal Board?

MR. URUSKI: Yes, I'm informed that if you make an appeal to the Municipal Board, you are talking about assessment I presume, it's \$5.00 for the first parcel and \$2.00 for every additional parcel of land. And a refund if the appeal is successful.

MR. MCKENZIE: I have some other questions but it will come under the Local Government District and I think that's under the next section, is it?

MR. URUSKI: That is correct, Municipal Services and Research. Mr. Chairman, before we broke this afternoon, we had considerable discussion from honourable members and especially from the Member for Birtle-Russell dealing with assessment procedures and the like. I want to indicate to him that he has been suggesting and indicating that there should be some approaches of the province in its procedures and techniques in the assessment process and dealing with land on the basis of use, not of productivity but of use. They're both very close to each other. The fact of the matter is that the assessment will take into account the productivity of a parcel of land based on the categorization of the soil quality and the type of an area.

Now, whether the owner of that property wishes to put that capability or that soil quality to that particular use is another matter which the Assessment Branch cannot indicate one way or the other. However, I want to indicate, in known areas in the U.S. in areas which have had a lot of residential development and commercial development in the periphery of urban areas, there have been programs by States set up dealing with what is, I presume, known in those areas as restrictive agreements whereby if an individual intends to — and predominantly or precisely in the case of keeping agricultural land in agricultural production — where an owner of the land would make a commitment to that municipal district indicating that he wishes to continue farming for say, five, ten or fifteen years and would be prepared to enter into an agreement with that municipal district, that it would take a lower or a different assessment as if that land was totally agricultural rather than taking into potential some of the development that has cropped up around it. It's a type of agreement which, if the member is serious about retaining agricultural land for agricultural purposes, I believe, would be a method that he might be prepared to consider, and I throw that out, I'd like to hear some comment from honourable members on some type of concept of that nature.

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

MR. GRAHAM: Seeing as how the thing was suggested to me, Mr. Chairman, I would say that I would certainly be prepared to look at that concept. However, I must reiterate that in the past we have looked at rollbacks, tax deferrals and other means in which we tried to alleviate the problem. But at that point in time, and I'm talking about six years ago, we were not prepared at that time to change the assessment. We were still going to assess it and we would give the deferral or the rollback. I am suggesting that the assessment should reflect the use, rather than using some artificial means of evasion of the tax. If the assessment reflects that, then there is no need for any artificial means of deferment or rollback.

MR. URUSKI: If I understand the honourable member, is he suggesting the level of assessment is primarily indicated by the marketplace and the level which is reflected is by the highest and best use of the land. Are you suggesting that there possibly should be a second value of assessment which ignores what possible or potential levels of use that land may have?

MR. GRAHAM: Mr. Chairman, I am suggesting that the assessment ignore the potential commercial value of the land, or whatever value you want to place on it.

MR. CHAIRMAN: Resolution 90(a)—pass. The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, you have said "pass," I don't know whether I should bring it in now or not, but I do think there are quite a few things about assessment that possibly a great deal of people don't understand. I'm just thinking probably that it's maybe a field that there should be a study done on in the next number of years, really, because I think a lot of the people just don't know how it is applied and what things should be taken into consideration. I think probably if we had a, I don't know whether it would be in the form of a committee to study it or something like this, I think that a lot of good information that was really real and meaningful would come out. Myself, I would be in favour of the idea if over the next number of years if something was done because ever since I came into this legislature we have been complaining about assessments and rollbacks and so forth. I think there should be a committee sit down that just really works on assessment for a considerable time and considers all the different things that go into it and then maybe come up with some sort of a recommendation. The way it is now, people aren't happy with it, it seems.

MR. URUSKI: Mr. Chairman, I thank the honourable member for his suggestion. I would like to get some further views from him or other honourable members as to what type of form that kind of study should take. As you recall, and the Honourable Member for Birtle-Russell raised it, we sort of hammered around that very issue in 1970 or '71 on the assessment and we just didn't come out with any damn thing and we just hammered each other over that issue and nobody, I think, came out any better for it.

Now, if the honourable member is suggesting some other type, or some suggestion of what kind of a study we should take, I would like to hear views of honourable members on that, whether there should be a review by some outside body or something like that, I would like to hear some suggestions.

MR. HENDERSON: I just have to think back at the different things that have been said from time to time and I've been at a couple of meetings where the town residents were, and they talked about rural people having their residence which wasn't assessed and where they had a real good residence and then they're saying, well we're assessed high on this. I'm not talking about the tax now or how the mill rates.

MR. URUSKI: You're talking about the procedure.

MR. HENDERSON: . . . how it's applied. But I do feel that if a group was to consider the assessment of agricultural land in connection with town property and we're talking here every once in a while about fine residences in rural areas which have a very small tax assessment. Now whether they're right or wrong, or whether the farmer's right or wrong, I think there should be a you know really takes committee that sits down and goes over this' a look at everything in it, not just from the farmer's side or from the rural person's side.

MR. CHAIRMAN: Resolution 90(a). The Honourable Member for Morris.

MR. JORGENSEN: I doubt very much if any conclusions can ever be arrived at on the assessment until you arrive at the basis of the problem, and that is, the taxing of farm land for education purposes. You remove that and I think you remove 90 percent of your problems.

MR. CHAIRMAN: Resolution 90(a)— pass; 90(b) Other Expenditures. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I wonder if the Minister could give us a breakdown of Other Expenditures. There's something presented from last year.

MR. URUSKI: Yes, Mr. Chairman, there's been an increase in printing, stationery and supplies; a slight increase in postage, telephone and telegraph, automobile expenses, and pretty well everything else has held the same. Those are the three areas with the greatest increase.

MR. EINARSON: No, Mr. Chairman, I really wanted a breakdown of the full expenditures, Mr. Chairman. Sorry, the Minister misunderstood me.

MR. URUSKI: Mr. Chairman, the expenditures are such, I'll give you the larger figures' 5.5 for furniture and furnishings and office supplies; \$43,000 for printing, stationery and supplies; \$11,000 for postage, telephone and telegraph; \$3,000 for equipment; \$242,000 for computer and related expenditures; \$139,500 for automobiles; \$7,400 for books, newspapers and periodicals; \$1,000 for freight express and cartage; \$109,000 for travelling expenses; and education and training \$1,400 for a total of \$563,800 and there's shared costs with the municipalities of \$422,800 for a net cost of \$141,000 to the province.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, in the item education training' is that part of training assessors or . . .

MR. URUSKI: Mr. Chairman, it's the provisions for payment of tuition fees associated with education courses and staff upgrading, yes. We have provision to hire 14 new assessors this year, in the budget, which will be trained over a four-year period.

MR. EINARSON: What were the number of assessors last year for the province?

MR. URUSKI: Eighty. I gave that figure, Mr. Chairman, it's in the record. There's no new ones, there were no new additions last year.

MR. EINARSON: So there's 82 plus the fourteen now that you are going to train this year, is that it?

MR. URUSKI: Fourteen is included in the 82.

MR. EINARSON: Oh, 14 included in the 82.

MR. URUSKI: Right.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Chairman. I would like to ask the Minister what qualifications the assessors have and what kind of training they've had, just basically what is involved here?

MR. URUSKI: Mr. Chairman, the department recruits usually at the high school education level with a four-year training period within the department. They have some related background in construction, farm buildings, real estate, agriculture would be an asset to any candidate for the job, but there is an internal training program and a four-year training program. I believe there's also additional courses which an assessor can obtain through the university or Red River, the Appraisal Institute, which would assist him in upgrading himself within the department as well.

MR. FERGUSON: Then all the present assessors in the field have gone through this four-year training period and the rest of the qualifications the Minister has now stated?

MR. URUSKI: All of them would except those that may have been hired within the last couple of years, like last year there were no new ones, so it would be in the last 2 or 3 years, who are completing their training program.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: That's all, thank you Mr. Chairman.

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

MR. GRAHAM: Mr. Chairman, in your automobile expenses and travel expenses, could the Minister give me, in a very rough figure, approximately what percentage of the automotive fuel would be obtained from the central garage.

MR. URUSKI: There would be very little in the assessment branches, most of the assessors are in points outside of Winnipeg.

MR. GRAHAM: They are purchasing almost anywhere then.

MR. URUSKI: Except Dauphin and Brandon where there would be central facilities for fueling up but if they would be out of town, and most of the time they are out of town, it would be wherever they happen to be.

MR. GRAHAM: And if they purchase from a central garage or Dauphin or Brandon facilities, is the 2 cent tax on gas for Autopac, is that included in the cost then?

MR. URUSKI: As a department with internal use per mile, the department does not pay. I believe there is an internal arrangement between Public Works and MPIC dealing with that very item but, from the departmental point of view, there is a flat per mile fee that the department pays for the use of the cars to provincial garage irrespective of where they might buy the gasoline or what price or whatever might be and then Public Works and MPIC would resolve that issue.

MR. GRAHAM: That's all thanks.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, is there much of a turnover in the staff of the Assessment Branch? I was talking at one assessment branch one time and they were talking amongst themselves on salaries, and what they stated to me was to the effect that many people were leaving the Assessment Branch because the amount of work they had ahead of them and to do and the remuneration wasn't very good. So I was just wondering, is there much of a turnover or dropping out of staff?

MR. URUSKI: Mr. Chairman' from the records that we've got going back to 1971 and to date, the turnover is not that great. The average turnover was 7.1 percent and it went to a high of 11 percent in 1973. I believe during that period of time, there was a gap, I believe there was also a salary gap between the province and the City of Winnipeg' where some of the assessors moved to better paying jobs so the turnover in 1973-74 was slightly higher than the 10 or 11 percent range but on the average in the last 5 or 6 years it's averaged out to about 7 percent which isn't an overly high turnover but turnover for those couple of years there was a slightly higher

MR. HENDERSON: So there has been an increase in their salary to try to keep them in the Assessment Branch and in assessment work.

MR. URUSKI: Yes, there are several things. There's also the nature of the job which requires a lot of patience and understanding really in dealing with people all over the province and in the nature of travelling and being away from home and the likes, so it's a combination of items. But the salaries, of course the department would directly not have any input in that because most of the assessors would be in a collective agreement which would be negotiated on behalf through the union.

MR. HENDERSON: Could you give me the approximate salary of an assessor, I mean separate

from his car allowance and expense allowance. I just mean an average, I don't want it exactly.

MR. URUSKI: Approximately the starting salary would be around the \$9,000 mark and then, of course, there is four years of training in that area to work up. It is like an apprenticeship course with a starting salary in the \$8,000 range.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: That's okay for now.

MR. CHAIRMAN: The Honourable Meer for Rock Lake.

MR. EINARSON: Mr. Chairman, the Member for BirtleRussell posed the question that I had in mind, so I'll forego mine.

MR. CHAIRMAN: Resolution 90(b)—pass. Resolution 90: Resolved that there be granted to Her Majesty a sum not exceeding \$2,356,400 for Municipal Affairs—pass.

Resolution 91 Municipal Services and Research (a) Salaries. The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Chairman, I would be interested to know what is the cost here in providing water services to the townsite of Churchill? Could they give us a figure on that? Apparently, I see this is not within the utilities of providing water service to other areas of the province. There's a separate identity here?

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Mr. Chairman, the program has been discontinued and it really wasn't as the member indicates. The program used to cost \$25,500 but has been discontinued.

MR. EINARSON: Well then how is the water provided now then, if that's the point of interest here?

MR. URUSKI: Mr. Chairman, the redevelopment of the townsite of Churchill is virtually complete and the system is in place and the local council and the townsite operate their own water system.

MR. EINARSON: That's fine, thanks.

MR. CHAIRMAN: The Honourable Meer for Gladstone.

MR. FERGUSON: Well, I don't think we have too much, Mr. Chairman, except that I would like to ask a bit of a breakdown in the distribution between the government departments supplying service to local government districts and municipalities. If he could just give a rough breakdown, there's very little difference between this year and last year.

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Mr. Chairman, there is no distinct line of breakdown between the two departments. They have all been integrated. The increase in costs in this branch are attributable to salary increase and to increase in computer costs. This branch is responsible for producing all municipal assessment rolls and tax rolls for the municipalities and through the municipal services officers maintains close liaison with the secretary-treasurers and municipal staffs. That's predominantly the role. Now the cost between providing services for municipalities versus LGDs is not broken down. The staffs were amalgamated to make a better use of the staff in the field so that municipal services officers would handle both LGDs and municipalities within the region that they would service.

MR. FERGUSON: Both the LGDs and the municipalities are satisfied with the service that is going on?

MR. URUSKI: I would indicate, Mr. Chairman, that the liaison between the department and municipalities has been excellent and the response between the services officers and municipal councils has been A-1. No doubt about it.

MR. FERGUSON: That's all, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I have a long list here of people that have signed a petition from the Pine River area, seeking information for sewer and water rights within their village. Now I wonder if the Minister could describe to me how these people go ahead and get that development. I know the first problem is assessment of the area, the base to find enough resources to proceed with that. I would be most grateful if the Minister would outline the procedure that these people should follow. Should they go through the local government district procedure or — and I can certainly see no reason why they shouldn't enjoy the rights that all the other towns and villages in the province enjoy.

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Mr. Chairman, certainly the procedure in the LGDs is no different than within any other elected or municipality in the province. The LDG has an elected council. I believe that the townspeople, if they haven't already, they are in the process of approaching the council of that area, who would request an assessment to be made as to what would be involved in the cost or a survey, and I presume that that survey would be either undertaken on their own or through the Water Services Board to determine what kind of costs there would be, and in conjunction with the Department of Agriculture and the Water Services Board that matter could be reviewed. Then when those costs are known likely council would want to hold a meeting within that community to inform the residents saying, "Here's what you want. Here is several alternatives as to how far sewer and

water, or sewer whichever the community desires and here are the costs of it". A decision can be made by the community and the council of that area, that is the procedure.

MR. MCKENZIE: I wonder, Mr. Chairman, does the Minister expect any financial problems for these people to meet this obligation? I only have some bits and pieces of information. Birch River is one community that projected and went in, I guess just with water. I believe they did go — they haven't had that pleasant an experience from what I can gather. And I suggest that under the local government district these people might have the same problem or maybe they won't. I wonder if the Minister could advise me on that?

MR. URUSKI: Mr. Chairman, I don't know the actual engineering advice on the particular program, but there is no doubt that any community, whatever size and state, that any fairly large municipal work or expenditure is a concern to all the people of that community. And that is one of the reasons that the community should be involved with their council to really look at what the ramifications of any type of a project of that nature really means to them.

The member well knows that up until a number of years ago there was no assistance to communities dealing with sewer and water and there has been since three or four years ago the program under the Department of Agriculture Water Services Branch, where there is a cost-sharing and a loan and grant system over, I believe it is, 8 mills on sewer and 12 mills on water services and then the remaining portion over that is shared between a grant of the province on a 50-50 basis and a municipal portion on the loan basis. So that there is some assistance, but there is just no doubt that if the community is fairly spread out and the services desired are fairly elaborate or large and there is a lot of trenching and digging to do, it is going to place a fairly heavy financial burden on that community.

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

MR. GRAHAM: Well, Mr. Chairman, I would like to ask a few questions regarding the computer facilities used by the department, and I think the Minister indicated there was a fairly substantial increase in the cost of computer services this year. I was wondering if the department had changed from one computer facility to another?

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Mr. Chairman, basically the facilities are the same, the computer is the same. The major increase is not in actual computer hardware costs, but in postage, stationery and the like — and supplies.

MR. GRAHAM: Could the Minister indicate what computer they are using at the present time?

MR. URUSKI: Manitoba Data Services.

MR. GRAHAM: And that is the one that is tied in with Manitoba Telephone?

MR. URUSKI: That is correct.

MR. GRAHAM: When did you switch to that one, when Telephone took it over?

MR. URUSKI: We have always been with that same computer through the Government Computer Centre and it was just a natural transition with no change at all really in our operations.

MR. GRAHAM: Thank you.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. A.R. (Pete) ADAM: Mr. Chairman, I was just wondering if there is any of these municipal services costs recovered from the municipalities when you provide this service?

MR. URUSKI: All the Data Processing Services that the branch uses are recovered from the municipalities but as far as staff, no. consideration and the Cabinet and the Committee of Cabinet, the Provincial Land-Use Committee, will be dealing with this matter in a number of weeks. We pretty well have to deal with the specifics of every LGD and how it affects each LGD. The staff of the Departments of Agriculture and Renewable Resources are bringing forward a proposal dealing with that matter.

MR. BANMAN: As the Minister is probably aware, a lot of these areas because of these lands now being vested in the Crown are having difficulty as far as expansion of either their farming operations and different things, and I just note at this time that there are a lot of these lands which were in agricultural use before and because of the Crown now taking them over they have been lost as far as tax base to the local government district.

MR. URUSKI: Mr. Chairman, I don't think that's quite the case. If there were lands that were utilized for agriculture there is no doubt that leases have been available either for grazing, for further development into crops and/or grass, and those lands would be available in the municipalities as they have always been, taking a portion of the rental for municipal tax purposes, they were receiving a portion. And I believe as early as last year those lands were being placed on the assessment roles like any other lands, municipal lands in the province and the direct municipal taxes would go directly to the LGD or municipalities as the case may be. That is a service provided as an assistance, advice and whatever liaison between government departments and municipal affairs and the municipalities is a provincial cost.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Chairman. I wonder in the past several years, and I think it dates back probably more than that, the local government districts, and I am speaking particularly of the ones in southeastern Manitoba, have been asking for some consideration with regard to the Crown lands that were returned to the government dealing with the times when things were a little tougher and people couldn't afford to pay for the taxes, they were taken back for tax sale. The local government districts because they wanted to expand their tax bases have I think made representation to the government asking that these lands be returned to the local government districts. I wonder if there's any progress been made in that direction and what the intention is of the government in that regard?

MR. URUSKI: Mr. Chairman, there have been, as a matter of fact, varied comments from different LGDs but there has been a general desire by most of them to do exactly as the member indicates. The lands that went under tax sale would be returned to the LGDs.

This matter is, as a matter of fact, under very active

MR. BANMAN: What is the government's feeling with regard to if and when they return the lands to the local government district would the sale of those lands come under the jurisdiction of the local government district or would the Provincial Government be involved?

MR. URUSKI: That policy determination as to what the local government district wants to do, the council will have to decide once that determination is made by the province. If those lands are turned over to the LGD it would become a municipal matter.

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

MR. GRAHAM: Mr. Chairman, I had one more question on the computer services. I understand that at the present time the Manitoba Hospital Services Commission is presently changing some of the programming on their computer to provide for the possibility of fee-for-service.

I was wondering if it would be possible or what the difficulty would be in linking that computer system into the municipal one, in say a year-end billing on municipal taxes?

MR. URUSKI: Mr. Chairman, I would like to know what we would accomplish by that?

MR. GRAHAM: Well, Mr. Chairman, I understand that this is probably, I don't think it's policy yet, but I understand that the Manitoba Hospital Services Commission is changing the programming of their computers to provide for the possibility of fee-for-service billing.

MR. URUSKI: Fee-for-service billing on what?

MR. GRAHAM: On hospital services. Now under the previous system would it be much difficulty to transfer that billing through the municipal machine onto the municipal tax rolls?

MR. URUSKI: Mr. Chairman, if I understand it the Health Services billing would be people and the municipal taxation billing would be land and description as it appears on the rolls. And really, the computer itself, the hardware itself, may very well be the same computer but the programming for both of them would be completely different, the software, the input and information. So that the machine may be the very same machine but the information that is required and computed in that could be completely different and the needs of the two programs are completely different.

MR. GRAHAM: Well, Mr. Chairman, I don't know what the government policy is nor their intentions, but I believe in some other jurisdictions that Health Services billings are of necessity, if they are unable to collect them, are added on to the municipal tax rolls.

MR. URUSKI: Mr. Chairman, that is right, but that is dealt with, I believe, at the local council level, at the municipal level and they are dealt with I presume on the parcel of land where there is a residence. Primarily the billing would take place on that, if there would be one.

MR. GRAHAM: So in essence then there would be no tie-in whatsoever between the two computer services?

MR. URUSKI: That is correct, there wouldn't be. The council would make a decision on an individual basis as the case may be of non-payment or failure of payment.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, a little earlier there you were talking about local government districts repossessing certain portions of land when taxes were not paid up. I understand that at the present time the local government districts, at the present once they possess land, do not resell it back. I was just wondering, by what you said, are you considering the possibility of selling some of these parcels back to certain individuals?

MR. URUSKI: Mr. Chairman, the lands that are now administered by the province, it's really a historical matter, it goes back many years. When the lands went under tax sale many years ago in the LGDs, the province took over the administration of them. Now we are re-examining the entire issue and trying to determine which lands were actually tax-sale lands from the LGDs that went into the Crown land system and we are looking at the whole issue, yes.

MR. HENDERSON: So in other words it could be that they may go up for bid at some time?

MR. URUSKI: That is correct, that could very well happen, yes.

MR. HENDERSON: Sounds like a sensible idea.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. ADAM: Mr. Chairman, is it correct to say that the Crown lands formerly owned by the LGDs and under administration and other Crown lands, that the taxes and the assessments are approximately the same as private lands and that the municipalities do not lose any taxes thereon for those lands that are rented?

MR. URUSKI: Prior to, I believe, about two years ago, there was a flat fee payment by leaseholders to the Crown for the leases, and a portion of that went to the, I think 50 percent, 50 percent of the payment went to municipalities in lieu of taxation. However, Crown lands as of two years ago were placed on the assessment rolls and they were assessed like any other land in the area. There is an actual tax statement now issued on the lands irrespective of whether there are any lease charges and in the last number of years there have been no lease charges, because primarily of the low cattle prices, and most of the lands were used by cattlemen and the lease fees, based on economic rent, were waived by the Department of Agriculture.

MR. ADAM: My question was, that the municipality does not lose any money because the lands are Crowned?

MR. URUSKI: Crowned and administered by the Department of Agriculture as agricultural lands, there is no loss of revenue to the RMs and the LGDs.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Mr. Chairman, I think possibly there is a little bit of a misunderstanding. As I take it, yesterday the Minister of Renewable Resources said that the wildlife management areas were not under the same system.

MR. URUSKI: That is correct, they are administered — that's why I made my point the way I made it — lands that are agricultural Crown lands administered by the Department of Agriculture, are the lands that I was speaking of. Those under the Department of Renewable Resources under wildlife management areas and resource projects, have no connection to this at all.

A MEMBER: There are no taxes at all.

MR. URUSKI: By legislation, historically there have been no taxes paid on resource-held land.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: That's okay, Mr. Chairman, I just wanted to distinguish between the two.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I think this is something that is relatively new in the last few years, about the government getting involved in purchasing private land for wildlife preservation and this is something that the municipalities — this is something that I was talking about yesterday. We were talking about acquiring taxes in lieu of . . . and this is what we are asking about. This is a total loss, then, to the municipalities, there is no one collecting taxes from this property.

MR. URUSKI: Mr. Chairman, that legislation, I'm informed, has been on the books for many years and in fact, if the member well recalls, a great portion of the Resource project of purchasing marginal lands came under the FRED Program which was signed in '67 and in fact dealt with lands as part of a rehabilitative program dealing with marginal lands and the Honourable Member for Rock Lake should recall that that agreement started in '66 and has continued on with it ending this year, in '77.

MR. EINARSON: Mr. Chairman, I don't dispute the fact the Minister makes, that this has been on the books since 1966-67, but the point I make is that it's been exercised to a much greater extent, I believe, and if it isn't, I would like to ask the Minister how much land has been bought for the preservation of wildlife in the last few years, opposed to, say, when it was first started?

MR. URUSKI: Mr. Chairman, I wish I could answer that question but the honourable members dealt with the Minister of Renewable Resources' Estimates. I believe that in those ten years there was a set amount of so many thousands of dollars annually set aside in the program for that very specific matter, for the last ten years. Under that program, those lands were purchased throughout the province.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Mr. Chairman, the Member for Rock Lake asked a question. My understanding was it is in the figure of 173,000 acres that have been purchased for wildlife management areas. I think this is where the concern of the Member for Rock Lake comes in, that there has been a very escalating deal on the part of the government in purchasing land and it's definitely taking a lot of acreage out of assessment that municipalities possibly were using.

MR. URUSKI: Mr. Chairman, as a matter of fact I held a meeting with a number of municipalities in the Rossburn area as late as about three weeks ago and that matter I raised with them and in fact the municipalities themselves, the municipal councillors and reeves raised the point of saying that in most of the areas where this type of land was purchased for wildlife management areas, they wholly concurred in the program.

They did raise some concern, as was raised by the Honourable Member for Rock Lake the other day, about the liaison between the department and the municipalities, but there is great concurrence in the type of program that the department has undertaken. I believe that there are conflicts from time

to time about the use of the land after it's placed in the management area because there are some instances where land could be used for hay cutting and the like and some conflicts run in, and those issues pretty well have to be resolved on a case by case basis.

MR. CHAIRMAN: I would remind honourable members that we have disposed of the Department of Renewable Resources. The Honourable Minister of Agriculture.

HONOURABLE SAMUEL USKIW (Lac du Bonnet): Mr. Chairman, I was going to make that very point. I would like to add, however, that it is not only the FRED Program but ARDA generally, across the province, that has brought in two alternate land-use programs under Renewable Resources and prior to that, Mines and Resources. But it's part of a Federal/Provincial arrangement, province-wide.

MR. CHAIRMAN: Resolution 91(a)—pass; 91(b) Other Expenditures—pass. Resolution 91: Resolved that there be granted to Her Majesty a sum not exceeding \$898,400 for Municipal Affairs—pass.

Resolution 92, Municipal Planning Service (a) Salaries. The Honourable Member for Gladstone.

MR. FERGUSON: Mr. Chairman, I think that something we would like to get straight to startwith, is it six or seven, now which involves the setting up of planning areas in the province?

MR. URUSKI: Six.

MR. FERGUSON: Thank you. Mr. Chairman, I think that the first thing that we would like to ask would be, we are quite aware of the fact that this is a new Act and we're also aware of the fact that it's going to have great implications in the rural area of Manitoba and we would like to know, up to this point, how the Act is being brought about. Do we have separate areas? What are the involvements of the municipalities? I think we will start off very slowly and ask, is the province being broken down into separate planning areas?

MR. URUSKI: No, Mr. Chairman, the province is not being broken down into any separate areas. From the planning assistance point of view yes, there are district offices where we provide planning advice to district municipalities, but as far as the planning of planning districts, each group of municipalities, whichever they may be, two or more may form a planning district, so there is no pre-determined area which the province is involved in in planning districts.

MR. FERGUSON: Could we start at the point of how many areas has the province been broken down into?

MR. URUSKI: In Planning Service?

MR. FERGUSON: Yes.

MR. URUSKI: In Planning Service, we have the Winnipeg office which handles applications into the Interlake and south of Winnipeg; we have the eastern region which office is in Beausejour, which handles the east and the south of Steinbach areas out of the Beausejour office; and we have the Dauphin office which handles the Parklands region; and we have the Brandon Field Office which handles the southwest region; we have the south-central field office which is also out of Winnipeg which handles the Portage and goes down to the U.S. border, Stanley and Rhineland area; and we have the Thompson Field Office which is in Thompson, which handles north of 53.

MR. FERGUSON: I take it there are seven planning areas basically in the province. In the event

MR. URUSKI: That's only for administration only, for the department, but not from the district point of view. Just for the administration of the department to give advice to the municipalities. District-wise, I could give the honourable member some information as to what is happening in the formation of districts and that will probably give him some idea as to what is happening throughout the province.

We have a district that has been before the Municipal Board, a planning district which includes the municipality of St. Andrews, St. Clements and the Town of Selkirk, which is in the process of forming a planning district of its own. We have the proposed district of North and South Cypress, Carberry and Glenboro. Those groups of municipalities have banded together and have made application to the province to form a district unto themselves.

So that any group of municipalities may form a district. The administration of planning and advice of planning is carried out by those areas that I originally mentioned, but districts can be formed, just whatever the municipal councils of that particular area decide upon. It's really up to each group of councils to decide upon how large a district or how small a district they wish to form.

MR. FERGUSON: Well, then, Mr. Chairman, could we use the area of basically what would be my constituency, which would be the south-central, and could I ask then, supposing two or three or four municipalities went together, and the other municipalities in the area felt that they didn't want to belong to that area, do they automatically stay out until such time as they want to come in, or what is the . . . ?

MR. URUSKI: Normally speaking, what would happen is that if there was a desire of two or three municipalities to band together, that's the way it would work. If there would be some municipalities who were "iffies and andies" and couldn't make up their mind, that's the way the matter would sit, that

the municipality would not be placed in that predicament. However, there may be a case — and I am now using the hypothetical, it hasn't arisen — there may be an instance where a municipality may be caught in the middle of a group of municipalities that want to join and then there may be an application of those municipalities to the Minister, I believe, to act under the legislation to place that municipality in that district. But I would say that, from my point of view, I would be very reluctant, in fact, adamant to do that because I don't think you will achieve anything in the planning area by forcing someone to do something that they do not desire. I would think that the only way that we will achieve the results of real and honest planning in an area is by desire of the elected councils of that area wanting to do something about it and I believe that municipal councils, being responsible elected representatives, share that feeling and would recognize that fact.

MR. FERGUSON: Mr. Chairman, the complaint that seems to be very prevalent is that any real estate deal that is going through, has to go through the planning board and it's taking, even the smallest deal is taking anywhere from three to four months to be processed. Could the Minister give me any indication of why there's such a hang-up of even the smallest deal?

MR. URUSKI: Mr. Chairman, that isn't the normal case of operations. Let me give you the history. I think one has to understand what has happened over the last couple of years. Prior to the new Planning Act, there was no involvement of the municipal council or the department or anyone dealing with land splits, up until January of 1976, so that any change . . . In other words, if there was a land split anywhere in the province, no one had any control over it. As a result, there were land splits going all over the place which in effect amounted, in many cases, to subdivisions but there was no one had any input into it.

As a result, councils were being caught off-guard, the province was being caught off-guard and there was just nothing happening, whereas the legitimate subdivisions that were going through the Municipal Board and the number that were going through, there was a period of time of even upwards to six months prior to consideration of the subdivision by the Municipal Board.

Since the new legislation came into being in on January 1, 1976, all land change transactions have had to be approved by the councils and by the planning branch and this is an interim 80 acres or less, those subdivisions or land splits of 80 acres or less would have to be approved by an application to the council with advice from the planning branch. Then the planning branch would, in this interim period, be the approving authority. However, we have in this interim — and I call it an interim period because the intent of the legislation is that as soon as planning districts are formed and basic planning statements are adopted by the municipalities which would not be in conflict with provincial land use policies, that the approving authority be that local district, but in the interim period. . . and the procedure is that if an application is made through council and council rejects the application, then that is the end of it, that is the end of the application. However, if council gives approval to the application and there is some concern from various government departments through which the Planning Branch co-ordinates that application and the Planning Branch disagrees with the council and disapproves of it, as a follow-up measure, there is an appeal mechanism from the province's decision to the Municipal Board. So that the local council decision is not appealable but the provincial decision is appealable.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Yes, Mr. Chairman. Then I take it that I as an individual, if I have a specific program envisaged, first, I have to go about making the deal, then I have to have approval from the municipal council if this is 80 acres or under. Then, it has to have the approval of the Planning Branch, here again we may come into the fact that there may be highways involved, there may be drainage involved, there may be flooding involved. All of these separate clean environment . . . all of these entities come back in and, in the event that six or seven pass but one holds out and says, well maybe it's highways that says, well you know, we're against this thing. Now, the individual has to file an appeal with the Municipal Board. Is this correct?

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Mr. Chairman, that's not necessarily the case. What happens is that when there is an application, normally what councils do is they say, look, you know, barring anything unforeseen we think that this application is all right. However, we would like to get advice from the Planning Branch. The applicant fills out a very short form which is in effect two pages giving the description and the type of development that is to take place. He brings that forward, the Planning Branch does all the running around now.

The individual who used to have to go through all the various departments, this is all now co-ordinated by the Planning Branch for the individual at the cost that he does pay for this application. That's why there is a cost involved and the Planning Branch does the co-ordinating and brings in all the responses from the various departments. If there are concerns raised, the Branch, brings those concerns to council and say, here's what concerns have been raised and council can say, look we agree with you. But if it's in an area where they have jurisdiction on where it doesn't relate to highways or government departments, they may say, well, although you have raised concerns that

this may be a piece of agricultural land, we feel that the development should go ahead—and they approve it. If there's severe objection to that, and it would have to be a fairly severe objection that the branch would disagree, then in this interim period, the Planning Branch or the Minister in effect through the Planning Branch, may say, we deny that application and that is appealable to the Municipal Board.

However, in the last year, to provide him with some statistics as to what really has happened, we have had a total number of applications until the end of the year. In 1976 for example, for the twelve-month period, the branch dealt with 1,765 applications; a total of approximately 1,100 were completed, 961 were approved, 37 of which were refused by the Planning Branch and 65 were refused by councils. There is about 35 under appeal and there were 15 other different kind of changes. A total of three percent of all the applications were refused by the Planning Branch which are appealable. So that virtually the Planning Branch has had very little direct refusal and only in very severe cases has the Planning Branch involved itself in refusing applications.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Yes, thank you, Mr. Chairman. We're quite aware of the fact that the act is definitely going through growing pains and also combined with the fact that there is quite an influx of urban people or people that are working in industries are seeking to establish themselves in the rural communities and I, for one, would certainly agree with the Minister that we do have to have some sort of a planning setup for the rural municipalities or else we are going to end up in a lot of trouble. But here again I have one particular instance of a constituent who bore the cost of survey on his own, he had the Building Permit from the municipality, it is now moved into planning and I think that he's going to run into some problems with the fact that there may be flooding and also it's in the area of No. 1 highway, which is also something new and there's all kind of problems there. But here again we find that we're having a bunch of frustrated people and really I don't know why then would this individual feel that because he has a Building Permit from the municipality and I expect that he's going to have only one outfit that's going to be really blocking the thing and that's going to be highways and he will be within the confines of the regulations which basically reads, 250 feet back from the right-of-way.

MR. URUSKI: Yes, I would like to sort of deal in the overall where I believe that the department over the years has tried to encourage, the department has not tried to sort of force itself on the local area. What I would like to see and I'm sure the department would like to see is really saying look, that the municipalities would, even one municipality even before it joins, a planning district or whatever, would say to itself here's where we would like to see development occur in our area and here's the areas that we would issue a basic planning statement and indicate yes, we will accept development in these kind of areas and this kind of development. So it makes it much much easier for the municipality and for the branch to give advice to a municipality of saying what kind of development do they really want in the area, in their own municipality and where should it take place; that's really the intent of the legislation, to say to councils, look, fellas, there is no problem with having development provided you make the decision where you want that development to occur and what kind of development you want, so that when there are applications and there's advice being given by the department, there is no second-guessing the municipal council of an area.

The specifics that the honourable member mentioned, I would suggest to anyone who is thinking of subdividing or making any kind of land split, that they do not undertake any surveys and expensive procedures prior to getting all the application looked at so that there is no undue and unnecessary cost, because it's not necessary under the application that can be filled out. It's not necessary to have a legal survey so that all the input from from the council, from the municipalities, can be looked at prior to that individual going into a lot of cost which may end up that it not be the Planning Branch, although the Planning Branch will say, "We can't approve it. But it may be because the Traffic Board will not issue an access to a highway which maybe just can't happen. So I would say that if people who intend to subdivide would seek guidance and the Planning Branch and planning offices would be more than pleased to give assistance and advice to people before they go into any large expenditure of moneys.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Okay then, Mr. Chairman. I take it from the Minister's statements that if an area is established—and we'll go back to the same South Central—that possibly three municipalities in a row are established, one in-between, doesn't participate, they may be brought in against their wishes. And, over and above this, basically what is the cost going to be? How far does the planning go? You will pay administration?

MR. URUSKI: Yes.

MR. FERGUSON: And technical support or . . . ?

MR. URUSKI: Yes.

MR. FERGUSON: Well, what is the breakdown cost?

MR. URUSKI: I gave that information in my remarks yesterday but . . .

MR. FERGUSON: I realize that.

MR. URUSKI: I'll repeat them. That's all right, I don't mind. The local administration consists of those activities which are most appropriately administered at the local level. In other words, if the district wishes to have building inspection, or whatever, that's up to the councils to decide amongst themselves. These costs, which could be partly recoverable by the issuance of permits, will be borne 100 percent by the municipalities. It's whatever kind of service they want to provide in that district. That's up to themselves. In other words, that will be the office space if they have a building inspector, telephones and the like, that would be their 100 percent cost, the local administration. Ongoing planning service, once a district is formed, which replaces the present planning service agreement and provides for professional planning advice on all land use matters on a regular and continuing basis, these costs will be borne 100 percent by the province, with the level of service to be negotiated.

Now, when the district is being formed, as several of them are in the process now, a development plan or a land use policy plan must be prepared by the district within two years of formation. The activities involved include the preparation of necessary background studies, an analysis which provide the basis for making informed and well thought-out policy decisions. What I've been saying is, where do they want the development, what kind of development and the like. The cost of this non-recurring component will be shared on a fifty-fifty basis to a maximum municipal share of \$1.00 per \$1,000 equalized assessment for the district, with any shortfall being funded by the province, so that there is a maximum contribution which municipalities make. The amount of work that needs to be undertaken for the preparation of the plan will be subject to municipal-provincial negotiations. That has been the plan that has been discussed with municipal councils and has generally been well received. The sharing of the ongoing costs of the district are really an internal matter between the municipalities to negotiate amongst themselves. We don't get involved in that because it really depends on how much development goes on in the particular municipalities which may be part of a district. So some may bear a larger cost of the district than others, but that's for them to resolve themselves.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Could the Minister then indicate to us what the participation of the municipalities have been now? We have established that we have six administration areas established. What percentage of the municipalities are participating? I realize that it's a new program.

MR. URUSKI: There have been at least 25 percent of the municipalities in various areas throughout the province that are interested and in various stages of applying to form districts on their own. So I would say that we have those two districts that I gave you are already before the municipal board, and one already the hearings have been held; there are a number of them that are in various processes of either sending in resolutions, working out the budgets of their operations and discussions. So there are about 50 municipalities in that range that are already in various stages of discussion with the branch too, in the formation or discussing the formation of districts.

MR. FERGUSON: I think that's all the questions I have to ask at this time, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Chairman. First of all let me say that an attempt to bring some order into planning in the province of Manitoba I don't think is objectionable to any of the members of the committee. I would like to say, however, at this time there are certain problems that are cropping up now that are causing severe hardship to some people as far as the Planning Act is concerned.

Now, number one, I'd like to say that the application for sub-division as it stands right now is, because it does get quite complicated and the average lay person doesn't fill it out himself; number two, most of the people give it to lawyers and have them fill it out. There's an additional cost there.

A MEMBER: What for?

MR. BANMAN: This two-page document. Most people do. I think if the Minister will check the statistics, that is what is happening.

Now, and I'd just like to quote a couple of cases of what is happening and how we can straighten some of these things out, because there is a lot of red tape involved. For instance — and I speak from a case that happened to me I happen to have a fairly — large lot in the town of Steinbach. It was serviced by sewer, water, curbed, it had the service connections in it, I wanted to go ahead and divide it so I would have an additional two lots. There was no objection from council, but it took a matter of roughly four months to get that thing through. I had to go through the whole to have that done. Now, these are cases I think that possibly could be handled by the local people.

Now, the other problem that is happening is the big backlog that we're experiencing in Beausejour right now. The Minister, I think, is aware of it. I think they've hired some additional five people in that particular outlet, and one of the main problems of that is that we are in that 40-mile radius of Winnipeg and there is a lot of going on there. I believe that the planners in that area are getting pretty frustrated because a lot of the stuff that they are doing is not planning really, they're pushing paper. They were hired to do proper planning and organizational work and I don't think that

is happening right now. What they're doing is the fact that, because of all this paper pushing, we're looking at lags of six months on many of these things, and that is happening right now. I draw that to the Minister's attention because it does cause hardship if somebody is buying a particular piece of property; he puts a deposit down and takes it to the lawyer and the condition of sale is subject to the sub-division. So what is happening is that, and I'm pleased to see that the department has come out with a new form because the other one is quite a bit thicker. But what was happening is that these people were taking their deposits, plus the application of subdivision to a lawyer, and it was costing an extra \$200, \$300 to have the process filled out, for often a very simple matter.

Now, the other thing that concerns me is that — and the Minister read the figures to us — under the present system you fill out the application for sub-division, it goes out to Beausejour — and I'm talking about a parochial problem right now — and then it comes back to the council who then decides what happens to it; the council passes it, once again it back to Beausejour. If the planners have any objection to it over there, it's rejected, it goes back to the municipality, the person is then informed of the rejection of his application, he then goes and applies to the municipal board and appeals that particular decision. Now what happens then is that I understand that in the majority of these cases again the municipal board passes the application and I stand to be corrected on that. I speak from experience from my own municipalities who, I would say the majority of cases have passed.

Now, we're all concerned about bureaucratic red tape, I'm sure the Minister is, I'm getting a lot of phone calls because of this particular problem. As I mentioned, people are waiting six months and it is causing problems in my area. I'm wondering if the Minister in the setting up of the particular planning districts could tell us if the department has sat down and implemented any guidelines as far as lot sizes, and I'm speaking specifically now to a farmer who has 160 acres, wishes to sell off 10 acres because he town — sell to move into his homestead and in order to do that he's got to go through the whole procedure. I have no quarrel with watching the applications for subdivisions very close on areas where there is not proper utility service, where there is not proper road maintenance' and where there is not proper bus service, and I think all these things have to be considered when approving these things because the municipalities will be bearing additional costs if these subdivisions are allowed where there are not buses running or there are not proper utilities. So I'm wondering if there are going to be any hard and fast rules along those lines.

The other thing is, some municipalities have adopted the principal by by-law that for instance they will not allow any subdivisions less than 40 acres, then another municipality says nothing less than 5 acres' and I think very often what is happening is that by saying 40 acres — instead of taking 5 acres out of agricultural land because many people don't even want 5 acres, they maybe want 2 or 3 acres — if we say 40 acres at \$300 an acre is about \$12,000. I'm just trying to rationalize what people are saying. They are buying 40 acres for \$12,000 where a lot in Winnipeg might cost me \$18,000, so it's still cheaper to buy 40 acres out in rural Manitoba, and there's a certain amount of this happening. I'm wondering if the Minister has any plans with regards to that or will this be left up to the local authorities when they do form the different planning divisions.

The other problem is another one of the local government districts and I had one particular area in Hadashville where the environmental people as well as Highways and everybody passed it, but because of a certain amount of red tape the gentleman in question has been waiting for 2 to 3 years to get a subdivision through. This is in an area where it's not agricultural land, it's sub-marginal land and the problems with that seem to be too complicated because it's driving the price of the lots sky high. I think he sold the lots for something like \$500 each and he's looking at survey costs and everything well exceeding that already. So in this particular instance, the red tape that he's faced with is definitely adding to the cost of land.

As I mentioned, I don't know what the very easy solution to the whole problem is but the way the present system is working right now, I should say really isn't working, because there is too much red tape and the onus is on the municipalities. They are accepting a certain amount of responsibility, as the Minister knows, and I think his figures bear it out. I was happy that he gave us those figures as far as the number of applications that were passed by the municipalities and then passed again by the planning people. But I'd like to know what the Minister has in mind and I'm speaking specifically with the area surrounding Steinbach, Niverville, the R.M. of Hanover, the R.M. of La Broquerie, R.M. of Ste. Anne, what the Minister has in mind for that particular area.

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Mr. Chairman, I thank the honourable member for his comments. I will try and deal with them as I remember them from the back end first. The department is having discussions with the municipalities now, presently that he mentions regarding the possible information meetings and the possible formation of districts; so there are discussions being held presently.

With respect to the subdivision that the honourable member mentions in Hadashville, which is 2 or 3 years old, the branch would have had no involvement in this whatsoever, in fact, the planning branch would have nothing to do with it. The application would have been filed through the

municipal board of which the branch would have given information to the municipal board but they would have had no direct turning down or not turning down in it. I can only comment, I don't know the specifics of that subdivision that he raises. If he'd like to give me the details on it, we could check it out. But I would venture to say, that if it is that long ago that there must have been some severe concern as to what he was trying to do in the area that he was subdividing, that the municipal board likely would have dealt with it but that the branch itself would not have been involved in the approval mechanism.

Secondly, the honourable member indicated that the branch turns down municipal council's applications and then the appeals are held, and a municipal board reverses the staff and the like, well I would say that in every case there would have been valid concerns placed by the branch or relevant departments as to reasons why the subdivision should not take place. However, the branch itself has only turned down 3 percent of all the applications that were filed of the total number last year.

However, I would have to indicate to the honourable member I have to concede that the district office in Beausejour which handles applications in the area that the honourable member is speaking of, has had a large influx of applications and the staff have really in the last year been doing more approvals rather than planning, I have to indicate that. But we did not want to hire a large number of staff until we knew really what we were facing, and as a result in this first year it has been an educational period of time and we have a number of staff to be hired this year of the technical nature, not of the planning nature, so that the planners could go back to giving advice to the municipalities.

Additionally I might add that in this area of approvals, the staff have worked very very long hours trying to give advice to the municipalities and I believe that all in all, the number of applications and the way they were handled have not in the main taken any longer than the 90 day period, in fact, most of them have been far less than that in the approval mechanism. I would say that provided all the details that are required to be submitted in an application form, everything else being equal, that an application form would be completed within the 90 day period.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: I wonder if the Minister could tell the committee how many appeals the municipal board has heard and what percentage of those were passed and what percentage were turned down?

MR. URUSKI: There have been 35 appeals made in the last year and that would include the applications that were made also before the municipal board from the year before. Thirtyfive appeals out of a total number of applications as I indicated before, 1,765, how many of those appeals were rejected or approved? Approximately less than half would have been changed, I'm informed. That would mean about 17 — in that ratio.

MR. BANMAN: Well, I'd just like to reiterate once again that it is taking longer than 90 days, I think 90 days is an exception as far as what we are getting out of Beausejour and I think, just talking to the Minister of Agriculture, I think he's got the same problem that I do, as a lot of people are calling me and asking me, "What is happening to my subdivision? I'm selling ten acres of land here and the council has okayed it, what's happening to it sitting in Beausejour. My whole problem with the particular thing is that there's a certain amount of authority that has been invested in the elected municipal representatives, and I think it's the government's intention to sort of let these people control their own destiny. That is not particularly happening right now because we are crossing another desk and every time paper work has to cross another desk, you are looking at another month or another 2 months plus an additional cost on that. That is my concern, Mr. Chairman.

MR. URUSKI: Mr. Chairman, I appreciate the honourable members comments. I just don't know how serious he is when he indicates that they are in favour of the concept of planning and when he indicates he's all in favour of planning, I want to indicate to him, that of the applications last year, the average time taken to approve those applications averaged out across the province, to 45 days. If the member realizes that under the Act, that if it is held longer than 90 days, it is deemed, refused. In most instances that I have had these matters drawn to my attention, I have either found that people as the member says, have gone to lawyers or other individuals seeking advice or information. I have had a number of specific complaints that were drawn to my attention, exactly the way the member says. I've gone to council, council has said okay, and where's my approval? And when I've checked with the branch on three occasions, there hasn't even been an application to the branch, and those are some type of complaints that we have received.

There have been other complaints I must admit that have been legitimate, where the department has gone to various departments to receive comments which would normally have been, previous to this, the responsibility of the applicant of running to the various agencies to receive comments — the branch does that, that there has been the odd delay. I don't want to say that in all cases it has been, but in most cases the applications have gone through in a normal fashion, provided all the information and everything is in at the initial period of time when the application is made.

MR. BANMAN: I would just like to say again, Mr. Chairman, I would like the Minister to know that one of my concerns is, I would not want to see that the average person is discouraged from selling off a parcel of his land because of too much red tape. In other words, if we're starting to deal with high

priced help, we're starting to deal just totally with real estate brokers. I'd like to compliment the Minister for bringing out an application form which is much simpler. I paced through the one I have here, and this one's only 4 pages and we're looking at something like 12 in this one, so that's a step in the right direction.

My concern is that we don't have to go out and pay high priced legal help to get a subdivision through, and I'm not talking about a legal subdivision, a complicated one within a town or anything. I'm talking about a lot line split, basically, and this is one of my concerns, I don't think we should have to pay a lot of high priced people and wait a lot of time for something that is very often common sense, and that's the point I was trying to make.

Mr. Chairman, the other point that I should make is that I know that we're trying to form these planning districts, and the Minister is well aware some of the districts, and especially in my area, have never even had a planning Act, never mind going into a planning district.

MR. URUSKI: Planning scheme, he means.

MR. BANMAN: No planning by-law. People could go out and build anywhere they wanted, they never needed a building permit even. So that we're moving from point A to point Z very fast, and not going through the natural progression that a lot of municipalities such as the Town of Steinbach had. They did have a planning Act that required a certain building code, but a lot of municipalities have never even had that, so that, we're moving quite fast. Maybe this is the problem of trying to sell the program, I think a lot of them haven't even started walking in that particular direction. So I just express those few concerns again that I hate to see too much red tape tied up so that the average guy is forced to spend a lot of money on high priced help. The other thing is that we have had some municipalities, and I speak of personal experience that have not had any basic planning at all and now are moving into that direction.

MR. URUSKI: I appreciate the honourable member's concern, and I would think that he too would be concerned that there would be consideration given to every application, because, prior to this, all sorts of development took place with municipalities just finding all of a sudden, developments where they had just no inkling that they wanted development to take place in that area, and it was just falling all over them. I think the honourable member realizes that from having no control or no indication to municipal councils and to the province to having some control that it is an educational process and a time process. But also I think he would realize and he would not want just rapid passing of subdivision without any due consideration as to what that would do to the land pattern and land use pattern of an area so that every application should be reviewed so that development just does not go on in a haphazard way. I think he realizes that.

That being the case, we certainly are not intending to pressure municipalities to enter planning districts, but I believe municipal councils want to formally develop and plan their own destiny for their own areas, and the Act is designed in such a way, that the approving authority is to be vested in those areas once they've adopted basic planning statement and formed districts so that that authority be vested with the municipalities and the process that we are in is an interim process.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. ADAM: Thank you, Mr. Chairman. We have one chap, also in Ste. Rose, that is having some difficulty in this area and he has been attempting to get approval for a subdivision for seven or eight lots and he has run into almost insurmountable odds. He's been trying now for two years to overcome them all. The Planning Act I know has been there for many many years and I am sure we all agree that you can't have uncontrolled development. The last request that he has had from the municipal planners is that he should have a 100-year flood protection for his subdivision. In order to find out what 100-year flood protection involves he has to hire a consulting engineer. This is going to probably be quite expensive. I am just wondering whether the Federal Government is not involved in requesting from the municipal government to demand this 100-year flood protection because of flood damages, that they are not willing to come in to pay flood damages in the event of a flood. And I am just wondering if the Federal Government is involved in this?

MR. URUSKI: Mr. Chairman, I'd be interested in the specifics of that subdivision, if the honourable member wishes to give that information to us. I would indicate that that information would be relatively easy to obtain as to the concerns of the Department of Water Resources through the Planning Branch, that a phone call to that department and to the area engineer would give the honourable member an explanation as to, unless it's a federal waterway, but it would give the honourable member some indication as to what they mean by a 100-year flood protection plan. If that area has been subjected to severe flooding in the past, I can readily see why the Department of Water Resources, through the Planning Branch, would have some concerns as to whether development should take place on flood-prone lands, as we have had many cases along the Red River and in south Winnipeg where homes have been built which have been subject to severe flooding in times of severe spring runoff.

A MEMBER: But he is the Water Board.

MR. URUSKI: No, no, he has nothing to do with it. I'd appreciate the information from the honourable member later on.

MR. ADAM: We'll check this one out.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I wanted to — briefly first a question I have, but then I wanted to make a few comments in regard and say that I agree with my colleague from La Verendrye. The problems that the municipalities are facing which is relatively new under the Planning Act since it has come into effect in January 1976.

I can give you one example in my constituency where they have started to commence to build a senior citizens home on C.P.R. property and unknown to themselves, and they had to check it out with the Planning Division, they didn't have the property zoned properly. It was industrial, therefore the municipality had to pass a by-law.

Here is an area where I am wondering whether the department can give some of them assistance in drawing up this by-law, because I was told that if they didn't have the by-law drawn up properly, and here they had to seek the services of a lawyer, and if they didn't have the 't' crossed and their 'i' dotted properly, then they were in trouble. If that by-law wasn't drawn up just the way the Planning Act wanted to receive it, it would be turned back. And this is one example, Mr. Chairman, that I think my colleague from LaVerendrye was talking about. Since this is new, I am wondering if the Minister is giving any assistance and probably setting up any sample of a by-law and how it should be drafted, the wording of it and such, in order that it is satisfactory to the Planning Division.

MR. URUSKI: Mr. Chairman, on the specifics I would indicate that the municipalities or the village he is concerned with should contact the Planning Branch for advice. We try and give the best advice that we can to the municipalities there, dealing with specific problems. There are a number of municipalities who have never been involved in any planning agreements with the province and of course, they are at liberty to hire their own planning either from the private sector or wherever and handle these things. There is no doubt that when there are matters which may, and there have been instances where by-laws that were passed by municipal councils going back to the 60's, where they have been challenged in court. One of the recent ones — the Honourable Member from Pembina well knows — the decision of two councils dealing with the water supply to the community of Morden is a very grave problem of the way that by-laws were handled in dealing with particular development plans that were in effect for many years prior to that. I would only say that the Branch does try and give assistance and will try and help wherever they can. But some by-laws really the municipalities should seek legal advice to prepare them, so that they are not placed in a predicament maybe years down the road, which may create them some great unforeseen problems. It is not so much the planning as the legality of the matters. And we will help them if we can. Yes, we will. As long as you let us know.

MR. EINARSON: There was one other question I was going to ask, Mr. Chairman. Are there any areas in the Province of Manitoba, such as say one municipality or more have banded together to form a planning area prior to this coming into effect, the Planning Act coming into effect in January 1976?

MR. URUSKI: Mr. Chairman, I am advised that there were a number of them prior to this Act. There was approximately 50 municipalities that had informal arrangements and they had the arrangement of an advisory Planning Committee of an area and there were approximately 50 municipalities prior to this Act coming into being. And I would say that likely if those municipalities who had those arrangements amongst themselves wanted to proceed on that basis that that would be a logical way to form districts as a natural option.

MR. EINARSON: Then, Mr. Chairman, they could carry on but how would that fit into the planning scheme of things that we have established under legislation as of January 1976?

MR. URUSKI: It would be just fine.

MR. EINARSON: There would be no problems?

MR. URUSKI: No problem whatsoever.

MR. EINARSON: Thank you.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, part of what I was going to ask has been covered and I notice that you are talking about the Member from La Verendrye who was saying that they had no planning by-law. Well, I know in my area they happen to have two, which became very conflicting, causing an awful lot of trouble. And I would think possibly that the department, I don't mean to be knocking them, but I would think possibly if somewhere in that department there are people who are working, and I'm not knocking people in the department, but where they could get proper legal advice, because we've got two municipalities and an individual that is in an awful lot of trouble now. They have been to the courts and it still isn't settled. So I just wonder if these people, as they have told me, figured they were doing the right thing at the time and now they have two by-laws which are very conflicting. So somewhere along the line they went wrong in their guidance, whether it's from their

local lawyer or from advice they got in Winnipeg.

And another case in connection with your Planning Act. The biggest thing that I hear is that it's way too slow. Because in the particular case in Manitou, they claim that it was far too long, that they got letters from your department which said that they would be replying soon, or by a certain time, and the reply didn't come, as a result they got their local lawyer to go in and to deal with it again. Apparently, everything was taking longer, there was nothing taking less time, everything was taking longer. So a certain piece of land that they had hoped would be further along where maybe they could sell land, they don't even know now what it is going to cost or when they can really sell it and tell the people they will be able to get on with it. It is just taking too long.

I was hoping that you could get to that department so that you could speed up some of its work, whether you are understaffed, or whether it's because of all the different things coming in. This is the main fault that I have as far as the Planning Act. It is just too slow in processing applications and getting them through.

MR. URUSKI: Mr. Chairman, first of all on the specific one that the member mentioned earlier, the problem that arose started back seventeen years, the one that we were discussing in the Morden situation. I might point out, and I would think that the Branch would have been pretty primitive at that point in time in their advice, but as late as four years ago the department did give advice to the municipality to review those by-laws that they passed and get legal advice and look at them, at the ramifications of those. And the conflicts were pointed out to the councils, but however I gather that the councils or their legal counsels did not advise the councils on what should be done. But the department did point that out four years ago to the two councils that we are speaking of.

On the specifics of the one in Manitou, I am informed that there were problems encountered and certain steps had to be cleared up and other problems arose and there were reasons why it did take long. But there were problems along the way that had to be resolved and certain points had to be clarified. I understand that tentative approval has been given to it, subject to certain provisions that council would have to meet, that the council has agreed to meet. So that that one is pretty well through.

MR. HENDERSON: Well, referring to your first remarks about notice being given to the local councils to review. Well, I know to councils there is always certain letters that come and they almost regard them as routine or did they have a problem...

MR. URUSKI: The conflicts of those two resolutions were pointed out to council.

MR. HENDERSON: At that time?

MR. URUSKI: At that time by the Director of Planning.

MR. HENDERSON: Oh, I see, because I do know in local municipalities they usually rely on the local lawyer who does mostly farmsales and property sales and he is not really up on municipal law at all. And I think, I would hope that as a result of what has happened in Morden that you would be more careful in pointing out to other municipalities and towns so as they wouldn't get into a conflict like this.

MR. URUSKI: Mr. Chairman, I agree with the honourable member, but I think the fault, if there is really any fault, really does not rest with the councils, because I think the councils did refer to their solicitors and I would have to throw this into the laps of the lawyers, that they just didn't do their homework and did not advise the councils of that. But council, as I understand it, did refer to their solicitors and they weren't given the advice that they were paying for, in this particular case.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Chairman. The only questions I would like to ask the Minister is, apparently there were 50 municipalities involved in planning prior to the introduction of this bill, and he said I think that there were 50 involved now. Would he explain this? Has there been no increase?

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Mr. Chairman, I'm advised that under the old Act there were approximately 90 municipalities within the province under Planning Service Agreements with the Department of Municipal Affairs where planning advice would be given to them. Of those 90, approximately 50 shared joint advisory planning commissions. However, since the new Act has come into place, we have had requests or are in the process of receiving requests from approximately 50 to go into actual districts under the new Act. So some of those may be within this, and some may not be within this group. I believe there would be some new ones because of the areas that they are in. Some of these that are now going into districts may not have had any agreement, but I would say that most of them would have been out of those 90 that had agreements.

MR. FERGUSON: Then basically the net increase is zero.

MR. URUSKI: No. Mr. Chairman, it is not a matter of net increase of zero. It is really a matter of municipalities sitting down and developing planning statements or development plans for their areas, and in effect, having the province transferring the approving mechanism for all development in their areas once those districts are formed.

Now, when you're saying zero, if you had nothing and you still have nothing, you have nothing.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSEN: Find out just how many planning districts have been formed under the new Planning Act. I know there have been discussions with a number of municipalities, but how many have officially been formed under the new Planning Act?

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: Officially having been approved by the final stages, none at this point in time. Mr. Chairman, the department started discussions with the municipalities last summer when the funding arrangements under the new Act were finally developed, so that we could give the municipalities some indication as to what cost-sharing and how the matters could be resolved in the form of cost-sharing with the municipalities in development plans.

However, two areas have not only presented resolutions to myself — in fact three districts have municipal board hearings set already — one of which I believe has already been completed by the Municipal Board, two of which are appearing before the Municipal Board and they are well in the process of becoming districts at this point in time.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSEN: Sorry, I wonder if the Minister would repeat that. How many districts are now in the process of being formed?

MR. URUSKI: That we are having discussions with now for districts? We have approximately 15 that are groups of municipalities, which I indicated are approximately 50 municipalities.

MR. JORGENSEN: What would be the average number of municipalities forming a district?

MR. URUSKI: Three and a half, some two, some four and the like. So it's more than, well, 3, 4, 5, 7, there are varying numbers, but the average is three and a half municipalities per district.

MR. JORGENSEN: They are going as high as seven?

MR. URUSKI: As high as seven.

MR. JORGENSEN: I wonder, in the application for subdivisions, why does the department want 15 copies of a plan for a sub-division? What in heaven's name do you do with 15 copies?

MR. URUSKI: I presume you are talking about a large subdivision. Because in a normal land split, the department, I'm informed, all they do is take Xerox copies and forward it to the relevant agencies and departments. I believe under the — you're talking about registered plans?

MR. JORGENSEN: The one I have in mind.

MR. URUSKI: They do and that has been in effect for years. That has always been the requirement and . . .

MR. JORGENSEN: I don't care how long it's been in effect, I just wonder what in heaven's name do you do with 15 copies?

MR. URUSKI: I think the applicant can get one copy and go to all the relevant departments who require notification of the change. That can be done. But through the Municipal Board, if all the departments are to be notified, then 15 copies would be necessary.

MR. JORGENSEN: And then he brings these 15 copies in and he pays for them, brings them all in, and there's one minor change that has to be made, he has to go back and get 15 more copies.

MR. URUSKI: That's one of the reasons why he should not have the land surveyed until the plan is approved. There should be no cost incurred by the individual applying for a split before there is approval given. So he doesn't undergo the cost because there is no need to undergo the costs of a surveyor until after approval has been given. That's one of the statements that I made — and the Honourable Member from La Verendrye indicated — that people were going to legal counsel and doing surveys, without even getting advice from Council or from the Planning Branch as to what requirements are there.

MR. JORGENSEN: So in the application for a sub-division, are you telling me that the first thing that a person should do is go to the Planning Branch and they will develop the plan for him?

MR. URUSKI: They will assist him as best they can, yes.

MR. JORGENSEN: And it would be not necessary to go to a surveyor to get . . .

MR. URUSKI: Not as far as the Planning Branch is concerned — he may have to have a legal survey when he wants to register it and it's been approved. Until that time, he does not have to go to a legal survey I know.

MR. JORGENSEN: Well perhaps I should see the Director some other time. I don't want to bring any individual cases up here, but I would like to talk about one in particular.

MR. URUSKI: Absolutely. There's no problem there.

MR. CHAIRMAN: The Honourable Member for Birtle Russell.

MR. GRAHAM: Mr. Chairman, I just have a couple of short questions. I would like to know if any members of the present Municipal Planning Service have left the service of the government to go to the various planning authorities that have been established throughout the province.

MR. CHAIRMAN: The Honourable Minister.

MR. URUSKI: No. Mr. Chairman, as I indicated there is not — no, in fact we have enquiries from municipalities wanting to join Planning Service, which at this point in time we are unable to provide

because of the staff constraint that we have had in the branch; there are numbers of municipalities who have not been engaged in any type of planning service and we are unable to provide that service to them. We are attempting to give them some help but we are concentrating our efforts in the municipalities who want to join and develop planning districts. We are giving our first priority to those.

MR. GRAHAM: Well, Mr. Chairman, then I would like to ask the Minister a further question, and this is looking a little further down the road. As the various planning districts are formed through-out the province, does the Minister foresee a phasing out of the planning services of the his department?

MR. URUSKI: Mr. Chairman, that certainly is a possibility, it is hard to foresee now, but I venture to say that once the districts are formed the municipalities will, of course, want to have ongoing planning advice on the development plans that they pass. But it is conceivable that that could happen when the municipalities form their districts eventually. But there are so many municipalities that are not now being served, that likely that will not be the case for the time being.

MR. GRAHAM: No further questions, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: The only remark I'd like to make is that I'd like to see the department get hold of more people so as to speed things up in this Planning Act, because I think myself that if you could process these applications a lot quicker, it would be a lot better. I am just wondering what you people think. I'm sure that if these things could be processed much faster and weren't held up for the time they are, that people would be more satisfied.

I also think about the local municipalities that go to local lawyers that aren't too familiar with municipal problems and law. I just wonder if by some chance there couldn't be more, shall we say, legal opinions given to them through the department to take care of some of this because they keep going to these local fellows and paying for it and they don't apparently know where they're going, at least that's the way it seems in my area.

MR. URUSKI: Mr. Chairman, the department does provide advice to municipalities and there is no doubt that we do give legal advice, but in the end, it is the municipality and their solicitor that will have to ultimately make the decision; and although we try to provide as much assistance as possible, we are not in a position to provide legal advice to the municipalities. It is really up to themselves to handle their own legal matters. We can advise them on certain matters but really when it comes down to it, it is their responsibility. There is no way that the department can provide legal advice.

MR. CHAIRMAN: Resolution 92(a)—pass; 92(b) Other Expenditures. The Honourable Member for Gladstone.

MR. FERGUSON: Mr. Chairman, I missed on the last item but it's not really that important. I was just going to enquire as to why the government had asked for Estimates of \$1,606,000 and only spent \$1,342,000.00? I'm sure there's got to be some confusion somewhere because this has never happened before.

MR. CHAIRMAN: Resolution 92(b).

MR. URUSKI: We'll try and get that information for you, Mr. Chairman. Mr. Chairman, the amount that we're discussing there, there is staff complement of \$255,000 with an additional 15 new SMYs for an additional amount of \$167,500.00 so there was a salary adjustment of \$87,500.00. There's also included in that amount \$130,000 for district plans in cost-sharing with the municipalities in those fees.

MR. CHAIRMAN: Resolution 92: Resolved that there be granted to Her Majesty a sum not exceeding \$1,743,300 for Municipal Affairs—pass. Resolution 93 Provincial Planning (a) Salaries. The Honourable Member for Gladstone.

MR. FERGUSON: Yes, Mr. Chairman, we would just ask for a very fast breakdown of what's gone on here, there's not that much money involved.

MR. URUSKI: Mr. Chairman, I would like to indicate that this branch was established in February 1976 and it has minimal staff. There are three professional staff who were all transferred from other departments and the only additional one is clerical. Clerical staff was the only additional one. The three senior people were transferred from other departments. The primary function of this branch is to act as support staff to the two committees established under the Planning Act, that is the inter-departmental Planning Board and the Provincial Land Use Committee which is a sub-committee of Cabinet. The principal task of the Provincial Planning Branch during the latter half of 1976 has been working with the line departments which have land use policies, as an example, Agriculture and Renewable Resources, Tourism, Highways, etc., Water Resources and the establishing of some broad land use policies at the provincial level which will act as a guideline for municipal councils and for district planning boards when they commence the preparation of their own development plans. I certainly can't speak too highly of the job which the personnel in this branch have done in the brief period since this branch was established nor can I emphasize too much the importance of the task of hammering out broad provincial land use policies as guidelines for municipalities.

The new Planning Act for the first time places an onus on the province to establish some broad

guidelines and it is not an easy task to bring together all of the provincial programs which have land use implications and try and co-ordinate these in such a way that policies can be established which will avoid conflicts in the future. I am hopeful that within the next few months, the Provincial Planning Branch will be able to place before the Provincial Land Use Committee a draft of policy guidelines for its consideration. This is primarily the role that the Provincial Planning Branch has played since its formation approximately a year ago.

MR. CHAIRMAN: Resolution 93(a)—pass; 93(b) Other Expenditures—pass; Resolution 93: Resolved that there be granted to Her Majesty a sum not exceeding \$89,000 for Municipal Affairs—pass. The Honourable Minister of Labour. Would you use the microphone, please?

MR. PAULLEY: . . . not really, it doesn't matter. I'm sure you can hear me, Mr. Chairman, but the suggestion has been made that now that you've finished the details of the program that the Committee may be inclined to rise just leaving the Minister's salary for discussion and then it would not be necessary for staff to return to the Committee. As I say, I have discussed that with the House Leader of the Opposition, if that is the inclination of the Committee. We're getting almost short of having a quorum in any case. There is an important function taking place over at the Convention Centre, I believe namely the MAST Convention, and there is some desire of some of the members of the Assembly that are in committee to go over there. Of course that suggestion that I am making is in the hands of the committee.

MR. JORGENSON: I move the Committee rise.

MR. CHAIRMAN: Committee rise and report.

ESTIMATES - HEALTH AND SOCIAL DEVELOPMENT

MR. CHAIRMAN: Before we proceed this evening I would like to draw the attention of the honourable members to the loge on my left where we have the former Member for Rhineland, Jake Froese. I ask the honourable members to welcome him.

I would refer honourable members to Page 32 of their Estimates Book. Resolution 62(d) Day Care Services (1) Salaries \$268,900.00. Pass? The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Chairman. There are a number of areas in the day care field that I want to touch on and I would invite your direction, Mr. Chairman, at this juncture as to what particular headings and what particular items I should be operating under. I would like to take a look at the whole Day Care Program, the philosophy if there is one, the policies if there are some, and I put it to you, Sir, whether we can approach them under the Salaries item or whether you want me to deal at this juncture directly with salaries. The Minister may have an initial statement, or a statement on day care and if that's the case I would certainly be interested in hearing it. I have an opening statement on day care myself that I would like to make.

MR. DESJARDINS: Mr. Chairman, I wonder if we could proceed with the first one, Salaries, just staff, and then Other Expenditures, and then the Financial Assistance to the day care centres themselves. That's where we can have our discussion on policy, and so on.

MR. SHERMAN: That's agreeable, Mr. Chairman. Thank you.

MR. CHAIRMAN: Resolution 62(d)(1) Salaries—pass; 62(d)(2) Other Expenditures \$66,500—pass; 62(d)(3) Financial Assistance. The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Chairman. First of all, before being challenged by the Liberal representatives in this House, I don't think we run any risk of a challenge from the government on this position but to make sure, for the record, Sir, that we are not challenged or misrepresented in any way by any presentations of any other party, I want to say for the record, Sir, that the Progressive Conservative Party considers a proper day care program to be one of the top priorities of any government and any responsible opposition in this province. So I would like to make that point at the outset, that we approach it from the point of view of a responsible opposition. We approach it from the point of view of an opposition that is confronting a responsible government. We consider it a top priority item and I would hope that none of the criticisms or remarks that we direct to the Minister would be misinterpreted by anybody else in this House.

Sir, Conservatives view a proper and efficient day care program in the province as a program that is consistent with what we believe is necessary in contemporary society. We believe that it is a modern social problem and as such it requires the attention of all responsible legislators. It has to be met head-on and solved and we would go further and say that a proper rationalized day care program is consistent with our philosophy of self-help and the work ethic. So the Minister will find our sympathy in terms of his responsibilities to address himself to the problem. He may not find our sympathy in terms of the way he has approached it but we would agree with any position that he takes that emphasizes the importance of a proper and efficient and rational approach to day care as being a modern-day contemporary problem that has to be met and solved and that is consistent with what we think are the values of modern-day society in terms of preserving the work ethic and the worth of self-help.

Our problem, Sir, is that we don't believe that the government has gone much beyond lip service to interest in the day care problem itself. Our main concern is that this government has never done the proper studies required of an administration where day care is concerned. We believe that first and foremost, before a proper approach to the day care problems and solution of the day care problems can be achieved, that we have to know specifically what those problems are. And we don't feel, and I put it to the Minister, that any substantial examination of the market's taken place. I would say that we consider the top priority to be market research, if I can put it in these terms. The top priority of any government, or any responsible administration, or opposition, in this province today is to research the day care market and find out where the needs are, the specific localized individualized needs, and then to try to formulate procedures for grappling with those needs.

We feel that this government has taken a universal blanket approach to day care, has said to itself and said to the population of Manitoba, that we need day care services, we're going to rush into the field and we're going to do what kind of funding and offer what kind of support we can, and it has been a universal kind of program that has not been measured in terms of responsiveness to individual problems in individual parts of the City of Winnipeg, or individual parts of the province.

And I would begin by asking the Minister what studies have been done on the market itself, what kind of research has been done, to determine the kinds of positions and the kinds of support and services are most critically required and would be most beneficial? Sir, essentially I guess the main study of the whole day care field that has been conducted in the last few years in our province, in our community, the Rutman study, and the resulting Rutman Report, said one thing to me with respect to

day care and that was, "Don't try to go ahead too fast. Make haste slowly." And I believe that what this government has attempted to do, is go ahead too fast in a field that requires a variety of individual approaches to individual problems. You know there are some fields in which a universal approach just is not rational and just is not practical. I would suggest, Sir, that the government has ignored the basic advice of that report. Perhaps they don't read that report as offering that advice, but that's the essential advice that I read from that report.

I believe, Sir, that this government has talked a lot about day care and has paid, as I say, considerable lip service to the concept of day care, but has wound up in the end by underfunding that concept and underfunding that program. The Minister no doubt will want to challenge me on this point and I offer it not as a definitive conclusion but I offer it as a conclusion that I have come to from reading the record. And it is this, Sir, that in the 1975-76 Estimates we voted an appropriation of \$3,700,000 for Day Care in this province. I can only find in the public accounts a record of having spent \$1,400,000.00. Now the Minister, as I say, will no doubt want to challenge me on that and he will have opportunity to do that, but let me put that to him and let me put it on the record. I find an expenditure of \$1,400,000, which is 38 percent of the amount that we voted.

There will be those on the government side and there are those in the community generally who will argue that one of the big problems with respect to day care and proper funding of day care is staff salaries, that staff salaries are creating a heavy load for the government and heavy load for the taxpayer in the day care area. Well, I challenge the Ministry on that point on the grounds, Sir, that I believe that the evidence will show that most workers in the day care field are underpaid, seriously underpaid; that by the government's own standards which establish a monthly minimum at the Health Sciences Centre of \$720 for unskilled workers, that day care workers in the field are seriously underpaid. My investigations indicate that 81 percent of supervisors of day care centres are paid less than \$700 a month and that until very recently, at least, 98 percent of the aides made less than \$600, which is barely above the minimum wage. That compares with the government's own standards which dictate that the monthly minimum at the Health Sciences Centre should be \$720 a month. So I put it to the Minister and the government that they cannot use the argument that salaries in the field are a major item which are causing budgetary constraints and restrictions because salaries are low on my records, unless they have been substantially increased very recently, and it is not a legitimate argument to protest that this is one of the factors creating financial and funding difficulties in the field.

Mr. Chairman, there are a wide variety of differing needs in the day care field. I think that it is unarguable that in constituencies such as the one that I have the honour to represent and a number of others of like socioeconomic advantage, day care centres are not required and the services of day care centres are not required to the same extent that they are in various other parts of the City of Winnipeg and various other parts of the province. The need for day care is greatest in the core area of the City of Winnipeg. This is where the service and the program should be strengthened, there and in the whole general community of working mothers and single-parent families. We don't feel confident, Sir, that this government has moved into the service field with that kind of rationalization in view.

Sir, this really reverts to the point that I made originally in my remarks, that the government's failure, as I would classify it, in the area of day care is the result of the fact that there has never been a proper study done to determine what areas, what regions, what communities need certain day care services of a special and specific nature and that the approach to the program has been general and universal rather than responsive and specific.

One other criticism that I would direct to the Ministry, Mr. Chairman, is that my experience and information is that there is a wide lack, a wide gap in communication between day care centres and day care operators and the Department of Health and Social Development itself, that very few of the centres know what they are going to get in the way of support from the government, that very few of them know what directions and parameters they are supposed to operate within, that very few of them have any clear regulation or direction, and that if they attempt to find anything out they become bogged down in what has become, I think, a rather general condition in Manitoba and in the City of Winnipeg as a result of much legislation of the past seven years. They become bogged down in a jungle of red tape and bureaucracy and diffusion of authority so that they have an extremely difficult time in getting clear-cut answers to questions and in determining the directions in which they should be moving.

Mr. Chairman, I think there are tremendous opportunities in the day care field, tremendous initiatives that could be looked at which I feel this government has not looked at. There are initiatives that have been undertaken in other countries, particularly with respect to involvement of the private sector in the day care field and I challenge the Minister and the Ministry to demonstrate that that kind of assessment, that kind of study, of the field has been undertaken.

I think a point that can't be overemphasized is that there is, as I have said, an enormous variety of needs, that there are children in certain areas with special disadvantages who come into day care

programs who simply cannot cope with the day care programs that are available to them, who cannot cope with the advantages of day care programs because they haven't been conditioned to deprivation in their own socio-economic backgrounds to be able to appreciate the kinds of services offered. There is a tremendous gap, a tremendous upgrading requirement, that is necessary on an individualized basis. You can't just approach the thing, as it seems to me the present government has done, as a kind of overview, an umbrella motherhood, something that looks good in terms of social service, and say, well, we are going into day care and we are going to offer so much in the way of a *per diem* subsidy and so much in the way of a monthly per child rate and we are going to encourage people to be in the day care field and that makes us good day care people and a good day care government, period. That is not good enough.

I want to say just before sitting down, Mr. Chairman, that I think that it is essential that this government recognize, as I believe my party does, that day care is one very effective means of combatting poverty, combatting the poverty and the disadvantaged problem that afflicts urban centres like the capital city of our own province. The trouble is that this government's approach in the field has been a makeshift approach it's been a hurry-up approach. It has been an attempt to do something in a rush, to get the walls up for a structure without ever building the foundation. As a consequence today, there is confusion and there is frustration, there is financial difficulty, there is adverse publicity, there is concern.

There are day care centres including that at the Health Sciences Centre, which is probably supposed to be the showcase centre in Greater Winnipeg, and day care people generally don't know either what the future holds or what, for that matter, the present holds. This is the essence of the overview that I want to put to the Minister. I have a number of specific questions that I want to ask as we examine this item in the Estimates, but I want to put that overview to him, Mr. Chairman, and I would be interested in his response if he feels inclined to reply at this juncture. In short, what I am saying is that this government has not measured up to the kind of lip paid service that it has to the day care concept and the philosophy of day care services in the province.

MR. CHAIRMAN: The Honourable Minister of Health and Social Development.

MR. DESJARDINS: Mr. Chairman, my honourable friend when he first rose said that day care is a very important program. With that I agree with him 100 percent. Everything else he said I rejected most completely. I feel it is very difficult for a member — I kind of feel sorry for him to have to make this statement — without knowledge of the facts at all. And today I would like to invite my honourable friend, I will make arrangements for my honourable friend to visit the day care office, to talk to staff to realize that we probably have the best staff. I am very proud of the staff. I don't apologize for them at all. I think they have done a heck of a job. And I very seriously invite my friend and the Honourable Member for Assiniboia to go and spend a day or a morning to visit the day care office and find out a little more of what has been happening and I don't think he would ever make the speech that he just made a little while ago.

There was very little interest in the last two years on this side of the House — I am talking about the Official Opposition — on day care, and all of a sudden because there has been an attack on day care, well then that becomes popular. And I want to compare this attack exactly on this program. This program, at no time did the government say that this was a universal program, immediately that we would look at the budget and give a blank cheque. We have never said that. We said, "This is the funding. This is what is available. Fine." And to say that there is confusion, that absolutely, absolutely untrue. They know exactly, practically to the the amount that they are going to get.

I would like to compare this probably to the program on drugs where we say, This is what we are going to pay. We don't say we are going to pay all of it or the ambulance program. And I am not talking about PAT, I am talking about the ambulance program. We say, "There is so much money and that's it."

Now, first of all let's look at some of the statements made by my honourable friend. "We went in there blindly, we didn't know what we were doing." There were three studies done before day care was even started. The one that my honourable friend mentioned, the Len Rutman? report, the George Tsalikis report and the planning and research study from our department and then I might say that the program is totally responsive to the community. The community decide if there is a need, this is studied by our staff and then we proceed. So this is absolutely wrong when there is a statement that is made that we are just going in there to put the walls up and that's all we're interested in. I would like to say to my honourable friend that the program is approximately two and a half years old, that's what it is and look at the progress of this program and that's the one we're really proud of, this program. This is not the one, and you've seen me on the defensive when we've talked about certain things when I felt that we hadn't done enough but certainly not on this program. We started in 1974 with, I'm just talking about the group day care centres. In 1975 we had 33, in 1976 - 122 and in 1977 - 166. 1976 And the places went from 1,127 in 1975, 3,685 in and 5,200 in 1976-77. And the amount of money, in 1974-75 - \$600,000; - \$1,200,000 and finally this year \$4,100,000.00. So to say that this program is not

progressing, this is absolutely wrong.

Now let's look at the salaries. The aides have received from 1976-77 to 1977-78 and this is the budget that they did themselves, not prepared by the department, it was the aides, \$550 and this year the amount is \$680 per month or a 24 percent increase. That's not

bad. You might tell me that they were underpaid, that's possible, but this has been progressing, there's no doubt about that. The supervisors were getting \$630, they are now going to get \$760 for a 21 percent increase. The directors \$766, it will mount to \$900, that's a 17 percent increase.

I don't know if my honourable friend really knows what this program is all about. There is a day care program that supports day care services in two ways. One, there is a branch and resource support to group day care centres which provide out of home care for six or more pre-school children, that is the group day care and then, of course, you have the family day care. We haven't been as successful with the family day care and that's probably the answer to a lot of the problems, that is a home that will keep up to five people because we have had a lot of trouble with the licencing and that is being looked at at this time.

Now to say that we haven't looked at the private sector, even that is wrong. We had a meeting less than two weeks ago with somebody that is operating a profit day care, the Mini-Skool, who tells us, by the way, that they would be so happy to go on the formula that we give them because they would do so well and we are looking to see if we could arrange something that would qualify them for some part because of our program this has emptied some of their schools and we might try to have a non-profit organization rent place from them and have another 200 places. Now I haven't got that time and probably this might go on for awhile so I won't go into all the details at this time.

I want to give you an idea of what the day care people did and they knew exactly that it was going on. They are set to get more money, they want complete funding, they want complete funding from the government and this is a . . . No, that's the proposed resolution from the Member from . . . Be it resolved that the centres submit their operational budgets for 1977 based on amounts which the centres believe to be reasonable, appropriate, adequate to meet their own needs and expectations and not based on amounts expected to be granted by the provincial day care office or motivated by fear of putting the centre into a deficit situation before the aforementioned grants are adequate. Now, does anybody on that side of the House feel that this is responsible budgeting? When you are told you are going to get so much money and you pass a resolution and say, forget it, just exactly what would you like to have, give us this picture and make a resolution. And some of these people are withdrawing from this and I've had letters where the people think that this is certainly not cricket and they're pulling away from that association.

Now my honourable friend, there has been lots said . . . I have so much information, so much I'd like to tell you here that I don't know where to start. — (Interjection) — I'm only allowed 20 minutes. I want to tell you about the . . . All right, now this letter, I'm going to read it again. You've mentioned the Health Sciences Centre. All right. First of all let me say that we are the only one that has a maintenance grant and we've had to fight — you feel that we haven't done enough, we've had to fight and at the meeting of Ministers of Social Development, provincial ministers of Social Development with the Federal Minister, that was our first priority. I presented a paper there that resulted in them funding part of the maintenance grant. We start with a start up grant of up to \$100.00. We have a maintenance grant and listen, with this maintenance grant, it is not all paid by Ottawa because we give a maintenance grant for every place. It could be a millionaire sending his child there, we give \$500 as a maintenance grant to that day care. Why? Because we want to keep the rate, the *per diem* low, to give the amount that they need to keep the *per diem* low. So we have the maintenance grant and then the *per diem* that we've raised this year. All right and that is that the people that are hurt on this we will . . . For instance, a single parent with one child, that parent could make a net income of \$5,600 and she doesn't pay a cent for day care, not a cent, we pay it all and she could make up to \$8,480 and she will get some help up to that point, then she pays the full amount herself. So that was another question.

Now, after this, let me read to you again, in a serious vein, the letter that I received from the Director of the Health Sciences Centre, the one that you say is in trouble, the one that you say was not happy, that there is confusion and so on and she is, without a doubt, one of the best directors, there's no doubt about that. Now I'm told that she's interested to present herself as a candidate for the Liberal Party. If she's elected she will be a very good member. But I want to tell you something, because some of the things that she is saying are not correct and this is a letter that she wrote on November 25, 1975, approximately a year ago and this was the letter: "Dear Sir. I wish to congratulate your department and the government of Manitoba for their recently announced changes in the provincial day care program."

"Since its inception in 1974, the provincial day care program has been modified and improved and I believe it now represents the most generous program undertaken by any provincial government. The increase to a maximum of \$500 per child space with the annual Maintenance Grant will allow centres to provide quality care to children and an expanded service to parents. As well the increase in

the subsidy levels to assist more parents with the cost of care represents genuine concern for the needs of working parents. Having read the text of your address to the Federal-Provincial meeting in Charlottetown, I wish to commend you personally for your sensitivity to the unique problem inherent in the provision of child day care services and for your commitment to develop an adequate program. I am encouraged that the Manitoba government has not used Federal foot-dragging as an excuse to delay the implementation of these changes until the details of Federal-Provincial cost sharing could be worked out. Yours Sincerely, Norma McCormick, Director, Health Sciences Centre Day Care." To have a better letter than that, I would have had to write it myself.

Now, let me tell you something else. The date of that was November 1975 when we announced what was going on for last year that was supposed to be so bad. Now' —(Interjection)— run out of gas, I'll prove to you we're not out of gas. Now, this is October 11, 1975, Day Care Unit for hospital staff children. They say that they didn't know. The Centre cannot — this was the director, Mr. Swerhone, was saying. Approval came during the Centre's Board of Trustees meeting Friday, minutes after Centre President, Peter Swerhone revealed that parking lot revenues, a main source of income, are themselves down \$345,000.00. The centre cannot go to the Manitoba Health Services Commission for funding of day care facilities because they are outside the purview of hospital budgeting for which the commission is responsible, said Mr. Swerhone. However, Mr. Swerhone hopes special grants, financial assistance from Local 1552 Canadian Union of Public Employees and from the Health Sciences Centre Nurses' Association, might help to eliminate the day care centre deficit. This was before they started because the new program is expected to end up \$57,000 in the red after one year and they voted on this. The vote to go ahead with the centre despite the expected deficit was taken despite concerns expressed by board member, Ed Kowalchuk. So to say that they didn't know what was going on is certainly untrue. To say that they weren't happy with this is certainly untrue.

Now, we had another letter and I'm not going to read it. We were told that our staff, that there's no goodwill with the staff, we have a letter praising, policy praises in the Tribune, December 5, 1975, by Laura Mills, Chairperson of the Manitoba Child Care Association, Winnipeg. There is another one: "The centres we represent do not have the negative feelings about Manitoba's day care program which has been relayed to the public recently." And there is a bunch of signatures on that. All day care directors. "As parents and founders who have been involved in establishing a day care centre in 1976 in Manitoba, we would like to stress that we received sufficient government support to set up and maintain a first rate child care facility." And so on, and so on.

Now, there is another one, there is another one, it's the Knox Day Care. That one, I believe that they use the children. And the fact is that they've tried to scare the people and the parents and it's been for one thing. At no time did we tell them how to staff, but they feel that they should have so many people. For instance, some of them feel that they should have speech therapists, nutritionists, and so on and we're ready to provide that by the department when we have only in the whole department four or five, that we're going to give one to each centre, is kind of ridiculous.

Now this is the budget. By the way, the budget of Knox when it was presented with all the noise and that, had never been approved by the Board of Directors of Knox, let's remember that. There was total salaries, this includes \$15,000 for the Director, an increase of 30 percent over the previous year's salary and we tell the bus drivers and so on that they must have around eight percent. The staff includes a full time secretary for day care, and we provide some of these facilities; a cook; housekeeper and three head teachers and the budget also provided for \$8,000 to renovate the church bell tower for office space for a speech therapist. No, Mr. Chairman. No, this won't wash that our staff haven't done their homework on this. We have, without a doubt the best, it's not perfect and some day, if we want to talk about the universal day care, it might be that it will come in the school board. At no time did this government say that we are extending the period of education from day one and we've never promised a diaper service either — not yet, but apparently some of the people would like to see that. I certainly think that eventually we might have universal day care in schools, it might change, but we did start after two and a half years, to the attacks that we have is certainly unfounded and I don't think it is sincere. I don't think that, well maybe not sincere, I don't think it's serious. I know that my honourable friend was never serious when he brought this resolution, he had to withdraw the resolution. When we agreed that he would put in a resolution, we felt that he would put in another resolution, and we figured that was a technicality. It was a completely new resolution because he knew that we took advantage of all the money that was available from Ottawa, every cent of it. He knew that, but he went *ad hoc* and presented this resolution and I don't like that at all. If that's not playing games, I don't know what it is.

Now, Mr. Chairman, we've had — if I can find the page — my honourable friend said that we didn't do anything the year after that. Where's the percentage? Oh yes, on the one hand there's 88 — listen to this you fellows because you asked for this — there was 88 centres or 57 percent are able to operate in at least a break-even situation with the 1976 *per diem*. That's after they were told to pad their budget and they still come in and say, okay —(Interjection)— 57, yes, the pack that stacked the

budget. The resolution that I read a little earlier to say forget the money that you're getting, just say whatever you think you should have. That's reasonable, responsible too. In other words, 138 of the 154 centres submitting budgets anticipated no deficit in 1977.

Now, what I'm looking for is the average increase in money that the day care received last year and this year. I think altogether it's over 40 percent in two years. Now, can you find that, I'd like to have this. You know, to say now that we just started the ball going and then we gave up or we withdrew, that we quit with this progress, I haven't another program in all my department that has progressed as well as this one in two and a half years I can tell you.

In 1976 the increase, that's to the day centre, was 28 percent and in 1977 with our new policy, 14 percent for a 42 percent increase. Can anybody from that side of the House tell me, very seriously, tell us that we have abandoned — can the Member for Assiniboia tell me that we ran out of gas with 42 percent increase? Does he know of any other program that has done that? I think the program that we started, that we announced, that was accepted, nobody criticized it last year, but all of a sudden, because somebody started to bring their kids and to send their kids to a New Democratic Convention, well boy, let's get on the fence. All right. This government might bring a universal day care. It might come in and pay for the food or whatever. But I won't think it's right, I won't think it's right. I think that the family has certain responsibility. I'm ready to do everything I can to help the people meet their responsibility, but to take their responsibilities away from them, that I don't think is fair. What are we going to do with these people now? They want to give them an education. They want to start their education these people. All right, what about the others that are going to day care? Why should they start when they are six years old or after that and some of them will start at two years old. If we have a system where we want to expand the education system, we will do it. Day care was the place, what was the main reason for day care? To help people get back in the mainstream by either getting a job to protect their kids and provide for their families or to try to have an education. And that is doing it. With what we've done — there's another thing that I've forgotten — not one person that is getting help will pay one cent more, in fact they'll pay less. And we've given that extra money to the Day Care Centre and these people are paying less. So what is so bad. Compare. Bring me the day care of other provinces. Compare them to our day care and then tell me that we've laid down on the job, that we were interested in four walls. It I guess is not very popular to say that, to say that I think that I don't see anything wrong with people getting up, packing a lunch maybe for their husband and packing a lunch for the kids. Oh, you know, that's awful; the government is supposed to take over. We've got to furnish the pill and if that doesn't work we've got to go take the kid in the hospital and bring him in and then deliver him to the grave. That's what some of you people would want us to do.

I happen to believe . . . You're laughing but you didn't hear — (Interjection) — That's right, but what are you saying now? What do you say now? Ask your friend in front of you what he said because if he is serious, he should look at this program and I challenge him to go tomorrow morning with Mr. Hikel and Mrs. Freedman and look at the program and let them explain to you. And I know, because you are a decent fellow, you will come back tomorrow and say "I was wrong, I'm sorry. I got sucked in on this thing and I was wrong." — (Interjections) — Yes he will, I am confident that he will, and my friend from Assiniboia also because he is also a decent guy and he got caught playing games and now he knows and he's man enough to admit it.

I say, Mr. Chairman that this is a good program and I am not going to argue all night. This is a ridiculous argument if anything because it is a sound program and the facts are there, and there is no confusion and everybody knew every cent that they were going to get. But some people made up their minds that not the government but a group of people will decide and they tried to come in at a convention; they've used their kids; they've used the directors. Half the time - not half the time, I won't exaggerate but certainly one — the one that started that didn't even have the budget approved by the board. That's responsible! And made such a big fuss the budget was not approved by the board. And then they come in and scare the people and have everybody writing. Well, fine, in a democracy it seems now that no matter where you go — there were Precious Blood kids last week, there is somebody on strike — demonstration. The only people who don't demonstrate are the people over 65 and I wish to hell they did because then they wouldn't be seen-off by society, as I said and as we all agreed a while back.

Mr. Chairman, the facts are there. I challenge the two members, the two critics for the two parties in this House, before they say another word, to go and — or after, I'm not trying to muzzle them — to take my challenge and go and see what this program is all about, go and see what our staff is doing and I think they will come back and they will say "Yes, you are right, this is the best program in Canada." Thank you.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Well, Mr. Chairman, I certainly accept the Minister's invitation, but I want to say two things before I get back into the general area.

First of all, he suggested to me that my approach to the subject was not sincere or not serious. I

want to say to him that I am the first to admit to everybody in this committee that I am not an expert in day care.

A MEMBER: Right.

MR. SHERMAN: Well admit that. This is a new legislative responsibility for me, but I say to my good friend, the Member for Churchill, that I carry out my legislative responsibilities with the same degree of conscientiousness as he does and as the Minister does, or at least I attempt to. The arguments that I am putting forward here are not something that I conjured up lying in bed at night, just trying to think of things to challenge the Minister with. I have been into the field and I have talked to day care centre operators and I have tried to learn what their concerns and their complaints are, and what I am putting to him — (Interjection) — Well, what I am putting to him is the arguments that they have put to me, I am trying to act as their surrogate, I think that is a responsible position to take.

Secondly, I want to say that I hope nobody on that side, and certainly the Minister, thinks that I was arguing for universal day care. What I said was that this government has taken a universal approach to it. I am not arguing for universal day care, we can't afford it. Furthermore, people should — I agree with the Minister — families, parents should accept the major portion, if not, where conditions are conducive, the total proportion of responsibility for the care of their children. I am not arguing for universal day care at all. But I think this government has taken an approach of lip service to the universal day care concept and has created a climate of rising expectations on the part of parents and on the part of day care centre operators, and has not delivered.

I ask the Minister what he did with the money we voted for him — well, perhaps it wasn't to him, perhaps it was the preceeding Minister — but what did the department do with the money we voted them in 1976? We voted them more money than they spent by my calculations. I may be wrong. When I come into this House and vote appropriations and my friend the Member for Churchill says to me that we are always screaming to cut down the Budget, cut down on spending. That is true but we did vote a certain appropriation for the Day Care Program and it was not spent. I am asking him how much money was spent and why wasn't the amount we voted spent on the Day Care Program?

Now, the Minister suggests that I am falling into a trap laid by one Norma McCormick, who apparently is going to be a candidate for the next provincial election. I don't think I mentioned her name, I mentioned the day care centre which she operates because that has been one of the showcase day care centres in the province. I don't care whether she is running for the Liberal Party or the New Democrats or for the Conservative Party, presumably she knows something about day care centres and day care operations.

A MEMBER: Well she wrote that letter.

MR. SHERMAN: Well she wrote that letter in 1976 but it doesn't jive with the letters she has been writing in 1977.

The Minister tells me, and quotes from a file of letters this thick, of people commending his program. Well, I've got a file of letters, not that thick but half that thick or a quarter that thick, from people in the day care centre business who are equally critical of his program. And I say for the Minister to stand up here and say that everything is great and this is the greatest program that has been undertaken by his department and it's the program he is most proud of — (Interjection) — Well, that's fine, it's legitimate for him to be proud of it but where there's smoke there's fire. And there is not issue in this province today . . . Well, my friend the Member for St. Matthews shakes his head.

The fact of the matter is, I say through you, Mr. Chairman, to my friend the Member for St. Matthews, that there is a good deal of controversy, public dispute, public disaffection with the Day Care Program and there must be something wrong. It's not me who is saying it, it's people who are in the field, from the field. — (Interjections) —

MR. CHAIRMAN: Order please.

MR. SHERMAN: I am prepared to accept the Minister's belief that the progress has been great and that his program is great. I know that he is sincere about that, he believes that. But that doesn't mean it is right. Lots of us believe, I don't think there is anybody in this House who ever intentionally presents a position that they don't, at least in the moment and in the heat of the battle in the arena, believe in. But that doesn't say that it is necessarily 100 percent right or even 50 percent right.

This government is spending some \$50 million on Public Works projects, on Hecla Island resorts, on garages downtown, on computers, and we're voting . . . last year we voted \$3.7 million for Day Care Services and it spent 1.4. I think it is a legitimate question to ask why? I am not asking us to spend \$50 million on day care, but we agreed to spend a certain amount and I'd like to know why we haven't spent it and why the outcry over underfunding; why the outcry over difficulty?

I want to put three questions to the Minister at this point, Mr. Chairman. One, what studies have been done by this government on day . . . — (Interjection) — Well, you cited three studies. The questions I was going to put, and my statement was not completed, Mr. Chairman, what studies have been done by this government on the market itself and the different needs in the market? Why does this government take the approach that day care needs in River Heights and Fort Garry, which is my own constituency and I recognize that there are day care centres in Fort Garry that need help and

support too, but why are Fort Garry and River Heights and other communities like that, equated with areas of need in the day care field?

I ask the Minister what precisely has he done to determine the individual and individualized needs in specific regions? And where is that market and where is that need? And I ask him, how we accomplish the service to that market? And that is at the point at which I said he has taken a universal approach, not an advocacy of universal day care, but the easy way to approach any program is to just put in a blanket universal program and expect that is going to take care of all the problems. That's my point. It has not been tailored to fit specific individual needs. If it had been, we wouldn't have the outcry and the unrest and the frustration in the field that exist at the present time.

MR. CHAIRMAN: The Honourable Minister of Health and Social Development.

MR. DESJARDINS: Mr. Chairman, it is true that we didn't spend all the amount last year. It wasn't taking anything away because the formula was established before. We spent over the \$3 million, it was in March . . . By the way, we did not refuse any one of them, not one.

The community studies and surveys and if there is a need, that is developed with our staff. We haven't chosen any communities, we haven't refused one. We dragged our feet for two months in January, because of the Budget, because of the exercise that was very clear in all areas.

My honourable friend said we spend so much on Public Works. My friend knows that my Department has more than one third of the total Budget of the province. So I am ready, at no time did I say that I am so proud, that it is a perfect program. I did not say that. I said that in two and a half years it has progress very well, there has been a big increase in the money received, in helping the people themselves. I remember two years ago when this started, the meetings that I had, because they were coming in from the LIP program and all of a sudden that rug was pulled from under them. Then the policy, the make-up was bad, we couldn't get anybody in. So this is what we tried, we put in this maintenance grant and that helped. And we are the only province in Canada that has this grant.

No, it is not perfect but my honourable friend is saying — and I have no doubt that he has letters. But the people that set the laws in this province and the policies, are the people in this House. And there was no criticism by anybody last year about the program, but this year, two or three directors decided that this is going to be a new profession, there is going to be a new profession there. I am not ready to buy that. And somebody thought it was a big joke when I said somebody with ten children, a mother was 65 or something. I think that's a damn good way to start, good experience, somebody with common sense, with love and so on.

We haven't said that we're going to start educating the people from now on, that it is going to be part of the school division. We haven't said that. That might come but I hope not. I don't think that society can pay for that. And then it would have to be universal, my honourable friend will grant me that, that if you do that it would have to be universal.

Now, what are they asking? We've looked at their budget, even a padded budget, and there is 90 percent of them that can go without deficit at all. There are some areas where they are supposed to get help. We said this is the formula, which they didn't have before. And you know, when these programs start . . . And that is the danger and then if there wasn't politics played, if somebody could say "Okay, just a minute." That is why people don't believe politicians because the least little thing, everybody jumps. I am not asking for mercy, I can take care of myself and if this government was here, the same thing would happen again. Oftentimes we haven't got the guts to say, "Well, just a minute, somebody has got to pay for that." At no time did we say we are going to feed these people. At first, when they came to see us, "We want to take our place in society, we want an education, we want to be able to go ahead and work." And we have made that possible and now they want them, some of them want them near . . . we should have day care centres near shopping centres, we should have them in schools, we should start with the other kids and so on.

By the way, my honourable friend made a good point about some of the kids that are difficult, the special cases. We have put in money for that this year and we hope . . . There's another thing, if our family day care would have got off the ground, it would have been much easier. And what would you have? You'd have probably one lady take care of four or five kids.

What we wanted to do, was let those people, the single parent, widows or somebody whose husband had left them with a few kids, to go and get an education and to go to work to help their family. This is what everybody in the House said. We're doing that. But now some people — and I don't blame them for that — they want the best thing, they want the highest salary and so on, they want to establish a new profession. And God knows that we've got some people in society who are not qualified, you can be over-qualified for something. You don't need a PhD to take care of a day centre. I know that I am going to have an argument and if that hits the paper I know I am going to be in trouble tomorrow, but I believe that sincerely.

What would be wrong, as I said, with the people if they packed a lunch? When you were young and went to school did you get a free lunch? I never did. I would probably be twice as heavy as I am now, maybe it is a good thing. The thing is we brought our lunch, we weren't any the worse for it. I'm on a balanced diet now that my department has placed me on. I don't brag about it too much because I

have been on diets before. But this is the best diet that I have had and I bring my lunch in a paper bag everyday. I bring a sandwich and some raw cauliflower and maybe a fruit and that's it. It's a good lunch, it's a balanced diet.

I am ready to place at the disposal of these people, our fitness people to work with them, develop programs with them. I think that is up to us. Not each and every day care centre to do that! You would be the first one to say, "Well, God, this is a little rich for Manitoba." And you will have to stand up if this is what you are advocating, if you are saying "Well you got those letters, they are right, you are wrong, without even knowing what we are doing, well then you will have to stand up and be counted if that is what you want. Then when I come back for more nutritionists and so on, for more people in the fitness program, we are ready to give them that, in fact, they do that now. We send material and folders, information to the parents. We are ready to talk to the parents and the children, then their teacher.

Now somebody wants a speech therapist and so on. Well this program was not meant for that. It might be that this government or another government might say that this is what we want. Okay, education now instead of starting in kindergarten — that was another grade that we didn't have when we were young and it wasn't in the system — now we are going to start with age three and we are going to give them the meals. Just take a pencil and paper and try to figure out and tell me how much money you would have to vote for this. If you start this education then it would have to be universal, it would have to be everybody. You are going to start them at three, you must give them a meal, they must have a speech therapist, they must have a full-time secretary. And we provide them money beside that to help them with their books because the auditor wasn't completely happy with the way this was done. —(Interjection)—

That's day care, that is exactly what those people are fighting for now. That is what they want. This is what I say, — see, you are shaking your head, you never knew that. Come and talk to these people tomorrow. Let them open our books, let them show you everything in the letters and everything. I mean that, and I think you will change your mind. I think you have been had by people that say "It is not the people in this House that will make the law. We want it. We want to establish a profession, a new profession." And that's it. You know what I'd like to see and you know what we're going to try, maybe I'll fall flat on my face. I said not too long ago that there's a lot of people that have to retire at 65. If I can have some day care in a senior citizen home to get these people who need love and need understanding — maybe it won't work — I'd like to try that. Sure I want good people; I want good directors and so on but I also want people that have been mothers of kids that would like nothing better than to give some of that time, to give some of that love that that person has and that's the most important thing in the world.

Cut this hot meal. Cut this repairing the Bell Tower and remember three years ago, I was the Minister, people came in and they said, "We've got this church, we've organized together." and then the minister or the priest said, We can have that room in that church. Now what have you got? Everybody gets paid, there's no volunteers any more; it's just like in the hospital before hospitalization. People would leave money in their Will and so on to the hospital but now the government is in it. And you know what kind of society we're having? You know what kind of society? The government pays for everything. You know, every one of you. But you know when you start this, I don't know if you realize how these things go ahead. If I do this for this program, should it be at the expense of maybe something we should do with the older people? All right. No. Should they have the same increase? Should we build more personal care homes? Should we go ahead with dental programs for the children? You know, then I have somebody that's going to come in, one of my colleagues in the House from any side will come in, "I've got this hockey team; they're invited to Sweden and this will put Manitoba on the map," and so on. "Now please give us money for that because it's good for the kids, it's an education." All right, you put it in.

Now if you do that, you must have a policy for everybody. Can you imagine when we're talking about priorities and when we're talking about responsibility, fine, we would like to do more; at no time, I don't want the member if he misunderstood to think that I'm ready to just say, "Here it is, it's the best in the world." I said and I'll repeat — it's the best program in Canada by far and it is accepted as the best one in Canada, the only one with a maintenance grant. I don't know if you know what I am saying when I say there's only one with maintenance grant. You know what that means? Because to get the same amount of money you would have the *per diem* instead of having \$7.00 you will have \$9.00 or \$10.00 and you know how difficult that would be for the people.

A MEMBER: Plus a \$500 grant.

MR. DESJARDINS: Right.

A MEMBER: . . . except it's not applied equally across the board.

MR. DESJARDINS: It is applied absolutely equally and we subsidize —(Interjection)— Well, wait a minute, it's not applied if they only have half a day. Of course, it's not applied . . . those that have three or four they get half the grant. The average of that grant, it was up to \$500, the average of that grant last year was \$450 and this year it will be the \$500.00. And that is for every space. It could be your child, it could be Jim Richardson's child, we still would give \$500.00.

A MEMBER: He doesn't need it.

MR. DESJARDINS: He'd get it anyway because, all right, what do we do . . . if we don't do that, if we allow like in Ontario and so on, \$22 *per diem* who would pay that — \$22 *per diem* All right, we've given an increase as I said that was, what did I say — around 40 percent? just think for a minute and then get up again and say, "Yes, but that's not enough — 40 percent increase." Not increase in the money that I'm asking you to vote — for the centres, the centres that are started — over 40 percent in two years and that's not good? And we're backing down on a program that we started? Forty percent? My goodness and then besides that, with this new thing, people that paid last year with this increase in \$7.00 not only those that were getting the full amount — check me on this to make sure that I don't misrepresent it — but every single person that gets any help at all will not pay one cent more this year. You know, I'm asking you . . . all right, forget my pile of letters and forget your pile of letters but look at the facts. Look at the facts and then tell me if you think that we're unfair and if we think that we haven't gone far enough.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, the Minister says, "Cut out the hot meal," or at one point in his remarks to me. —(Interjection)— Yes but that's exactly my point, that's exactly my point. It's the universal application of the hot meal and of the maintenance grant that he's talking about that I disagree with. Precisely my point. If you go into certain specific areas of the city, in the core area of the city and other areas that require day care services, that is where those things are required.

The Minister says' this is applied across the board, and that's right, it is applied across the board and that's what's wrong with the program. The fact of the matter is that the \$500 maintenance grant does have discrepancies in its application. I can tell the Minister something that he already knows; is that those grants ranged over a wide variety of levels between the \$400 and \$500 parameters in 1976. My question to him is why is the . . . you know, if we're voting what — approximately \$4.1 million this year for this program, my basic question I guess, Mr. Chairman, if I have to narrow it down to one question to save the time of the committee is: Considering the amount that goes on administration which is not overwhelming but it's always substantial, why is there not sufficient money in that appropriation vote and in that administration vote to permit an assessment of the market so that those kids, for example, who are in day care centres in the disadvantaged areas are considered in terms of their special needs as opposed to those in other areas that don't have those special needs? That is my question; that is what I fault the government for' for taking a blanket approach that is not responsive to special and individual needs.

MR. DESJARDINS: That's why I say go and see what's going on because you still don't understand it. That's why I say that. The meals — it is certain centres that decide they want to do that. It is not the government that decide that. Many of them don't even think about that. Others want to hire a cook; one of the ones that's in a deficit. Fine. You mean to tell me that if they want two cooks, we'll give them two cooks, if they want a nutritionist for their centre we'll give them that? I am saying that we have so much money. If they can get donations, if they want to charge more — well, they can't charge more than the amount — but if they can get from any organization, fine they can go ahead, but we are saying that that is not our program.

Our program is so much, if you can run something well, if you want to economize in certain areas, that is acceptable to us, if in your mind the meals are the most important thing, fine, well go ahead. And talking about the study — that's exactly what our staff is doing constantly but with the people in the community. Two days ago, I was told the government decides everything, you're making studies after studies after studies, why don't you involve the people. Now the people decide and we haven't refused one, not one, we've looked at it with them, we've helped them with that, we've allowed what? — \$400 or \$500 — to help them set their books at the end of the year. We do that but we've never said — \$600, sorry. We never said, you know, show us your budget without any guidelines or anything, just the budget . . . with your Resolution, pad it, do anything that you want and we will pay it. We've never said that. We've said, We have a formula and this is what we will pay.

Now, let me tell you something else. My honourable friend is always comparing free enterprise. All right. Can I tell you, and I'll name the people and you can phone them tomorrow, that the people of the Mini-Skool tell us that if they had this money, if they were based on the formula we had they would do very well. They wouldn't be in trouble at all. That's what they told us. And do you feel that they're running a good school? Do you know anything about the Mini-Skool? Are they running a good school? All right, don't take my word for it; go and ask the general manager tomorrow. Okay?

Now the difference is this: We say there's so much money, live within your budget. We feel it's fair. We don't tell them who to hire, what to do, how much to pay, but we've looked at all these things and I showed you that their budget would take care of the salaries that I mentioned with all this increase this year. And we're saying if you want to have a deficit, if you want something else, fine. You know, two years ago, as I said, they would come in with cap in hand and say, You know we worked hard, we've got a non-profit organization, we've got volunteers. You know a while ago you were on my side

when I talked like that but no more, not on this issue, saying that they have volunteers, we've got this free room that the parish will provide for us, now if you only can get us seed money. Now we give them that everybody was happy at the start of the year but all of a sudden somebody has decided here's a chance for a new profession. They approached me — (Interjection) — yes, they approached me and they said, "All right, this is a chance. There's been discrimination against women and this is a profession for women." I said, I'm not the Labour Minister and I don't care if it's a man or a . . . Well you've got two, there's you and Doern already so I'm not the Labour Minister.

A MEMBER: Well maybe we should transfer a portfolio so that we have some intelligence in the Department of Health.

MR. SHERMAN: Mr. Chairman, I don't want to cut the Minister off in midstream but I'm not against him on that question of volunteers but what I'm saying to him is I can get volunteers in Fort Garry and my colleague can get volunteers in River Heights and the Minister can probably get volunteers in St. Boniface, but there are areas of the City where you can't, and the trouble spots are the areas where you have kids with special needs and there is no tailoring of the program to meet that problem. — (Interjection) Well, if he's got it in now, that's fine.

MR. CHAIRMAN: The Honourable Member for Sturgeon Creek.

MR. J. F. JOHNSON: Thank you, Mr. Chairman. I wonder if the Minister would clear up something that has been brought to my attention, and I'm not too sure whether it's right or wrong but it could be a problem within the day care centre program generally. Is it the fact that the cities would issue the license to a day care centre to operate and do they have the right under that licensing to say whether you must serve a hot meal or not, and if that is the fact, they could be put in a position of a little bit of squeeze here because it isn't quite a universal laid down program all over. If the Minister is saying there's nothing wrong with packing a lunch — and I must say to the Minister I see nothing wrong with packing a lunch, I did it myself. I think there has to be responsibilities from home, but if the day care centres are being forced to serve these type of meals in order to get their licensing, and if the day care centres are . . . they certainly must be inspected by some part of the Health Department of the City of Winnipeg and they could have demanded of them certain standards that could be unreasonable and under those circumstances the day care centres could be in sort of what you might say, a squeeze between policies and licensing arrangements, etc.

MR. DESJARDINS: Mr. Chairman, the only city that license day care is the City of Winnipeg. We're reviewing that with them. We've had some difficulties, I think that we might need some amendment in certain Acts, but what they say is something that I agree with; they say the children must be provided with a meal and that doesn't mean they can't bring a meal from home or anything and it only stands to reason if they're going to be there for eight hours or so that they should have a meal. I'm told that they haven't even tried to enforce that. That's true, the City that license facilities can make the rules and as I say, we're looking at that, if it's going to be provincial programs we feel that we might have to do the licensing and that's being looked at at the present.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, we had a pretty good debate on the day care centres on the Resolution that I presented to the House and I know that the Minister had his points of view on it and I still don't feel bad at all that I presented it. I believe it was required and I'm glad that I did have good support from the Member for Fort Garry because I know when the Leader of the Official Opposition took part in the Throne Speech Debate, he indicated he would see that we would have better day care centres in the province. — (Interjection) — this year, yes. If he forms a government.

I have somewhat of a different concept than the Minister of Health and Social Development in respect to day care centres. He seems to indicate he tried to sort of persist on the Resolution that there's no reason why senior citizens or somebody's mother couldn't do a good job and maybe we should hire some of these people and today again he repeated it. Well, the Minister would have all the day care centres throughout the province run by the senior citizens of this province and I don't accept that, Mr. Chairman.

MR. DESJARDINS: Mr. Chairman, I don't think that the honourable member should try to misrepresent. I said, well did I say that all the day care should be run. . . well, don't say that I said it then.

MR. PATRICK: Okay, I'll correct that point. He said that he would like to see senior citizens in those positions, running those day care centres because they've had a lot of experience. Somebody indicated some of these people or some mothers had as many as ten children, they had experience, they'd know how to do it. Well, the point is that many senior citizens would like to have some recreation at this point in their life, I think they have other interests and it's only right that they have other interests and some form of recreation, they've done their job raising their children. Sure they enjoy their grandchildren maybe for one day in a week but not every day and not to work another eight hours at this stage in their life. I think it's . . .

A MEMBER: You think that they would be forced? forced to?

MR. PATRICK: No, but to suggest that they would be the ones to run the day care centres, I think it

would be wrong. I do.

MR. DESJARDINS: Did I say volunteer?

MR. PATRICK: Well, the thing is that the Minister has repeated it a couple of times and I can't assume anything else. I'm inclined to believe that he's suggesting that they should be the ones running . . . you know I can't accept it.

Again, my concept of a day care centre is something different, a lot more than child's play and I think this is what we're debating here, the type of day care centres that, you know, child's play. I think a well planned day care centre should be designed to perhaps stimulate the intellectual, the social, the emotional development of a child at that stage, it's the growing stage, in fact the most important stage of their life, the children. And who are we talking about, we're talking about children. To indicate that you can put anybody that's inexperienced, to put senior citizens or somebody that . . . I have nothing against, you know, I take my children to my mother which is their grandmother, that's great but you know, after about an hour, that's sufficient. People at certain age they enjoy children but not all day long, they enjoy them for a little while and you know, the children will get to their nerves and to suggest that they could run well planned and well operated day care centres, I think is wrong, I think there's a little more. We've got to be concerned about emotional and intellectual development of that child at that stage so you need, in my opinion, capable and able staff. That's my assessment of a day care centre.

Now the point that we're raising, the debate gets that somehow we're trying to be political. Okay, let's not be political. What is a day care problem? It's a social problem, it's a social problem. I can indicate to the Minister right now, I have people in my own office working who require a day care centre, they're using it, they're working and if they wouldn't have had the facility, this person would have had to stay home and probably get allowance from the government which would cost ten times as much so I think it's a great thing to — (Interjection) — Well, you know, I haven't discussed if they're happy. Sure, even what there is available today I think it's a great stride forward but the Minister is with his attitude, you know we should have senior citizens running or partly involved in a day care centre or running it, I can't accept that because you're going to run into difficulties in a little while from now because two things are happening. Number one, we're told, and I hope that the Minister will explain to the House, that if the allowances are not increased, the staff at the day care centres will be very low paid staff. Now I don't know if that's correct. I hope the Minister can That's problem number one.

Two, if you are going to run into difficulties with not enough sufficient funds to be able to have proper staff to run proper day care centres, you are going to run into trouble later on. Other point is, what about the areas where there is a need, where a need exists. What provision has the Minister made, what studies have you undertaken to provide day care centres where there is a great need that exists. So that's the point that I would like to make to the Minister. I think that day care centre, to me, is a lot more than just a child's play.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Chairman there is one thing I won't let go, not about the senior citizen. At no time did I say that all staff, that our requirements should be that people should be over 65. My honourable friend knows that. All right. At no time did I say that. I was talking about volunteers, I said that there are some people who are alone and who would love nothing better than to be able to assist and there are a lot of positions. I am not saying that they would have to take all the responsibility of a large day care. And my honourable friend says that they haven't got experience, or they're too old. I'll give you the name of a woman in Manitoba that is a Saint that is accepted, that is recognized by any member in this House and in Manitoba. You know who that woman is? I'll give you her name and I won't have to say anymore, Mrs. St. Amant. Have you ever heard of Mrs. St. Amant? How old was she when she was running that? Did you ever go to her home and she had people in those days, they had no drugs and that, some of the kids were in cages. She had the worst, some were deaf and dumb, and blind. There was one who was deaf and blind, deaf and dumb and blind. Mrs. St. Amant did that work' she was a dedicated woman. And I am saying that we don't respect, we insult, and I think my honourable friend is insulting the senior citizen when he talks like that. All of a sudden at 65, you're no good. At 65 you're no good. (Interjection)

MR. CHAIRMAN: Order please. The Honourable Member for Assiniboia.

MR. PATRICK: Point of privilege. I have never, never said that somebody who's 65 is no good. The Minister is certainly imputing things that I have never said, and I hope that he would desist because really he wants senior citizens to run day care centres. — (Interjection) —

MR. DESJARDINS: Well, okay. He doesn't think that the people at 65 are no good, but they have no business assisting in day care, they're too old, they're finished. Around the turn of the century, one out of every five citizen in this province and in North America will be 65. So I don't agree with my honourable friend at all.

We have said, we have taken this figure of 65, and this afternoon, you know where he wants to go, this afternoon, they made a big case that we should start paying the old-age pension and that at 60

years old, at 60 to 64.

A MEMBER: Who said that?

MR. DESJARDINS: Your desk mate. All right. And this is what we are talking about. But every year, we have drugs, we're bringing in hospital, and fitness in the people. In some institutions that we have in the government, some of the mentally retarded children and so on, the average was about 14 years old now they live there and the average is over 32 years old in some of these areas.

Now, I say that there are some people at that age that can do a good job. At no time, and I am not going to let my honourable friend here try to put me in a corner say, "you said that," at no time did I said they should take over the centre. I said they can assist very well, they can do a good And another one who is probably recognized as 'the' woman for a centre is Mrs. Ragot in St. Boniface and you probably heard of her too because they come from all over the Greater Winnipeg area. And she is a cripple and I know she's past 65, she passed 65 quite a while ago. She has one of the best day care centres.

Now, I am saying that there are some people ... I was talking about volunteers. And I talked about some people that society just forget after they're 65. We give them a pension, we make a couple of speeches in the House, give them a pension. All right, they won't starve, let them die of loneliness in a little room with just four walls to look at all the time. And I hope, and his desk mate agreed with me and the Honourable Member for Fort Garry, that we should do something for the older people in our society. Now I am saying, and I said that I might fall flat on my face on that, but I am going to try, I am going to try to get some of those people to see if they can run the centre. If you don't try anything you won't make any mistakes, but where are you going to get.

So, Mr. Chairman, we've talked all around it, we've talked all around it. Nobody has said to me that 40 percent or 42 percent in two years is not enough. Nobody has said that. Nobody has said, "You are right. You must have a limit. If they want to do more, let them do more but you're not obligated with the taxpayer's money to pay." Nobody has said that. (Interjection) I want you to tell me that we should drop all the other programs and that we should give, not 40 percent increase but a 100 percent increase in two years. I want you to tell me that. And if you can't tell me that, what the hell are you telling me. You're repeating something that somebody told you' somebody that has been a pressure group. That's their choice and that's their right. But responsible people sitting here should look at both sides of the story, should understand the program, should know what is being done before they start saying, "you haven't done enough." It's all these general statements, "you're not doing enough. You started with zero," where's that thing again, it's worth repeating. "You started with zero" I know you'd want me to repeat it.

You know, with the *per diem* fees in Manitoba at \$6 and with a grant of \$500 per child which is equivalent for \$2 and it's \$8.00. Saskatchewan has a total of \$5, Nova Scotia, \$6.50, British Columbia, \$7, Quebec, \$7, Alberta, \$9—they've got a bit of oil out there, too. These are some of the centres. The paper that I had before on the ... we've got so much information here that we're getting lost with fitness and amateur sports. Anyway, I think I mentioned that you could look at All right, on November 30th, 1974, we had 12 day care centres. You can write that down. On November 30th, 1975, and there wasn't a big commotion last year during the Estimates, there were 86, and this year there was 160. Now, is that progress? Is that good progress? All right. the number of licensed spaces. November 30th, 1974, we had 375. November 30th, 1975, we had 2,353. November 30th, 1976, we have 4,487. Is that progress? Is that good progress? What are you faulting us on? The money? Is that what you're faulting us on, or because you just say, "you're elected but get the hell out of the way and let the directors of two day care centres run the show." That's exactly what you are saying, that's exactly what you are saying because 90 percent of the day care centres are very happy. Ninety-three percent of the centres are operating on a balance. . . without changing anything. A few of them wanted nutritionists, wanted physiotherapists and everything, wanted to repair the bell tower and so on, are not happy because they haven't got enough. And they've got you playing in their hands. Well, that's fine. I don't want to waste any more time on that, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Wolseley.

A MEMBER: Do you want to waste time?

MR. WILSON: No. I want to be able to tell the Minister what I think the problem is. The problem is you've got 160 and you're trying to treat them all the same, and some of those areas don't need a day care centre, that's the problem. You should concentrate on 28, and run 28 properly in the areas that need them because the priorities are the low-income families, the one-parent families, the new immigrant families and referrals from doctors. You tell me in some of those affluent suburbs where they have a large amount of low-income families, where they have a lot of one-parent families and where they have lot of new immigrants. They don't need a day care centre. We need them downtown and we need them run properly by quality, professional people. And I have to speak like the other member, for the one that I'm concerned about, in my own area. Let's get parochial for a minute. Well, we do have special needs. We have got a lot of single mothers in our area who are going to be put back on the welfare rolls unless their special needs of this particular day care centres are given some

special priority.

A MEMBER: Does the government run the day care centres?

MR. WILSON: Absolutely not. The people that are running them have got some incentive to turn around, and they're career people.

A MEMBER: Thank you.

MR. WILSON: As I said, we get into the area of special needs. We talk about the needs of the one in my particular area, we've got a lot of language problems. We've got the Knox Day Care in my particular section that has a lot of my constituents in there. Okay? Your particular government wanted to under-fund them so they would have to do away with the Hot Lunch Program. What's happening is all these qualified people, because they haven't got the support are ending up doing dishes. Is that what we're paying them \$10,000, \$12,000 a year for, to do dishes? (Interjection) Well, all right. They are also doing the cooking.

I think in our particular area, because of the special needs, we do need a ratio of anywhere from five to six to one because we have all the problems. I have told the Minister before about all the government experiments that he runs in my area and all of these people seem to have these problems, that they put their children in the day care. I've got letters galore from single mothers pleading that they're going to have to go back on welfare and they're not going to have any life of their own to be able to go out and get married, and to be able to take their children out of the day care and move into the suburbs and lead a normal family life.

So, the Minister, is standing up there saying he's got an \$8 on average. To me in the core area, that is not enough, in the suburban areas, it is far too much. And I don't agree, the Minister turned around and told me I was full of wind when I told him there was a difference in the services and Pat McKinley of the Tribune said there is a comparison, there is a basic difference. And even Graham Farley of the Tribune says the day care funding is better but it's not good and I am sure that he was looking at the core area. Because you can go in there and it's right there in front of you.

I am telling you, we have 78 families. Over 40 percent of them are from families from outside Canada, new arrivals. We have 11 Chilean children, we've got them from Trinidad, the Barbados, Vietnam, China, India, the Philippines, we even have 20 percent Native. So what happens is you've got over 60 percent new arrivals into the core area. So, when the Minister talks about Windsor Park being completely satisfied, or St. Vital or Crescentwood as my honored friend says, I just think there is a difference.

I think each area should be given consideration by the Minister based on the special needs. (Interjection) Well, all right, that's fine. You seem to get annoyed. The trouble is you've got too many Americans working on your staff and not enough people that know what's happening here in Manitoba. They bring their socialistic ideas here and their rule of thumb, if they can't control it — In fact, I've even got a letter that the Minister had that I got a copy of, in which he says, "Such an attitude strikes me as markedly irresponsible." When anybody questions him, he says, "They're responsible. I'm right." (Interjection) Then join the club. It seems when anybody has anything to say that has some positive thrust to it, the Minister says, "We'd give them \$8 and only Alberta—Alberta has got oil, only Alberta does better." I'm only complaining about the core area day cares, and I honestly believe that we need help, we've got to continue that Hot Meal Program because it is basically the only one that some of them get.

Again, I think that somebody, if you are giving the funding, should be a watchdog so that when you come in unannounced, and you find these trained people washing dishes, and trained people sweeping the floors, you can say, "How come?" I think you do need that because you are supplying the funding, you do need that kind of interference to say, "Let's run them properly." So, to the Minister I hope he will give some support to the core area day care centres.

MR. CHAIRMAN: The Honourable Minister of Health and Social Development.

MR. DESJARDINS: If he thinks I am going to set up a mafia to run the program, he is sadly mistaken. Now, I stated that he told us that the government should not run the centres and they are not. But he wants us to have the police to go in there and see if they wash dishes. Well, that is a no-no. And I guess I don't know what we're going to do, maybe shoot him or put him in jail or something. Now, there is a statement here, my honourable friend likes to make certain statements like

———— too many Americans and so on. He feels he should set the policy for the government. Well, when we're talking about compassion, about helping people, I am not going to go and get a bailiff to set the policy for this government, I can tell you that, Mr. Chairman, not that kind of bailiff. That's for damn sure, he's talking about humanity and so on. Now, Mr. Chairman, I want to tell you something that as far as we're concerned the community clubs, the communities themselves decide what is needed. They are not all filled up.

In two years, we haven't done anything for the core of Winnipeg, just by accident there's the Nursery Centre, Inc. with 35 places, day nursery centres, 35, and they are not all filled. Freight House Day Nursery, 40, Health Sciences Centre, 130, Knox Day Nursery, 80, Playmates, 30, University of Winnipeg, 35, Victor Place Centre, 25, Children's House, 42 and Winnipeg Centre Nursery, 15. Now,

my honourable friend says, "No, the government should not run it. You shouldn't run it, but you should tell the people running it how to run it. You should send people unannounced. You must have a force of detectives and inspectors to make darn sure, and if you catch anybody washing dishes, well then be careful because you're in trouble. They're not supposed to do that." No. No, Mr. Chairman.

MR. CHAIRMAN: The honourable member on a point of order. State your point of order please.

MR. WILSON: I have two personal points of privilege. One, there is no such animal in the Province of Manitoba as a bailiff because the government drove them out of business in 1969, and number two, I did not say that I wanted the government to run the agencies. I would like to suggest to the Minister that if private industry and the business community should be ... (Interjection)

MR. CHAIRMAN: Order please. Order please. There is really within our rules or within Beauchesne nothing dealing with personal privilege. There is privileges, abuse of privileges at the House. Perhaps you should look at your paper that you were given the other day. Look at your own rules in this House. —(Interjection)— Order please. This is in the Appendices of our own House Rules on Page 39:

Members sometimes raise so-called questions of privilege on matters which should be dealt with as a personal explanation or correction either in debates or the proceedings of the House. A question of privilege ought rarely to come up in the Legislature. It should be dealt with by a motion given the House power to impose a reparation or apply a remedy. Thus these are the privileges of the House as well as member individuals. Wilful disobedience of the orders and rules of Parliament in the exercise of its constitutional functions, insults and obstructions during debate are breaches of the privileges of this House. Libels upon members, and aspersions upon them in relation to Parliament and interference of any kind with their official duties are breaches of the privileges of the members of the House but a dispute arising between two members as to allegation of facts does not fulfil the conditions of Parliamentary privilege.

Our Rule 23 provides a motion for reading the Orders of the Day has precedence over any other motion before this House. So there is no point of personal privilege for this House. There may be a dispute between two members as to the validity of facts. That can be ironed out in debate.

The Honourable Member for Wolseley.

MR. WILSON: If I may continue under this item of day care services, I talked to some business people and incredibly enough, they say to me that they haven't been asked and if they felt that there were these particular programs as I said — and I use the word "not takeover," — I said you are supplying the money, supervise them, and if they felt that you had some particular person on staff who had the training and the university degrees in this child type of work, then you would be able to go around and if the business community felt that these were being run properly, they told me that if they were asked industry would be more than happy, to contribute. And I think that a lot of these particular industries would not have a secretary if she had to stay home and look after her children; and I think that if a study was done where these people who leave their children and are working, that if somebody approached the particular industries, I am sure that if it was tax deductible they would be more than happy to fund the shortfalls that some of these particular core area day cares have for their special needs programs.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: I wonder if my honourable friend, before we leave this item, not necessarily tonight, could give me the names of these industries that are so interested, because we have approached quite a few of them and they didn't mention that they were ready to help, Mr. Chairman.

Now most of the questions that were asked by my honourable friend, he will have to read Hansard. These were answered previously before he came into this Chamber tonight.

MR. CHAIRMAN: Resolution 62(d)(3). The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, I think we have had a fairly extensive examination in terms of the overview of the work of the department and the policies and the approach of the department in this sector and I intend, Sir, to move to a series of questions that I would like to ask the Minister, but just before I do, I would prevail upon your equitable Chairmanship for one moment just to respond to the Minister because the Minister has attempted on several occasions to make his point to this side of the House and legitimately so. Perhaps he feels that he is confronted with a wall of opposition that is unreasonable, but I just want to put back to him for the final record the proposition that no one on this side of the House, at least not I, is saying that what the government has done in increasing the budget — and he has made reference to the increase of 40 percent to 42 percent in two years — I am not saying that that is not enough. I don't think I said that was not enough. What I said was, he may be doing enough but he isn't doing it right.

He has said that what we are saying on this side of the House is you are not doing enough, government is not doing enough. I reject that out of hand. I follow the philosophy that government in this province and in this country is doing too much. People should be looking to government to do

less, not more, and I am an advocate of that position. I don't want government doing more. I don't want government doing as much as they are doing but after all we are not voting the world here, we are voting \$4.1 million and I am prepared to vote that kind of appropriation. What I am saying is spend it right. I am not asking him to spend 40 percent more and just tailor the program to these specific and special needs.

So, Sir, with thanks for your indulgence in allowing me to perhaps engage in some repetition there, I would like to move on to some specific questions that might expedite the progress of the Committee on this point a little more than has been the case in the last hour or two.

I would ask the Minister whether there is a freeze on the opening of new Day Care Centres.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: There is no freeze except the funds. Last year around March we did announce that we would not accept any more except those for that time, we wouldn't open any more. We worked with them, and then there is certainly enough money to go ahead with this and as I say, there is some of this money in the budget, approximately \$300,000 is to work with these special cases and might be crippled or partly retarded and so on, we are going to work with that.

As I said, we are looking also to try to purchase some place to see if that is a possibility instead of building new day care with the Mini-Skool, a partnership in other words, with free enterprise because our program is kind of emptying our schools and they have 400 places and there are only about 200 children — there are two large, very well run day cares.

MR. SHERMAN: Well beyond that \$300,000 appropriation for special needs, could the Minister advise us in the Committee, whether there is a termination date for the program that is in effect? — (Interjection)— Yes, as far as the funds are concerned?

MR. DESJARDINS: Mr. Chairman, we feel that we probably will be able to open ten new ones this year. The only thing that will stop us will be lack of funds and I hope that next year we will have more funds again, that this is, as I say, a gradual build-up of this and I am sorry if I misunderstood. My honourable friend says that it is not a question that we should give unlimited funds to these people but be a little more selective and as my honourable friend said, we had a good go at it. I would still think that he would do very well to go and visit our staff. He won't find any Americans there, but go and visit our staff and I think that they will answer a lot of the questions that you are asking.

MR. SHERMAN: I don't care if I do find Americans there, Mr. Chairman. — (Interjection)— Well, I speak for myself in this area. I don't think anybody who knows me would describe me as ever in my entire life as having been anti-American.

The question that the Member for Wolseley raised a few moments ago touched on a question that I wanted to ask of the Minister, Mr. Chairman, without being repetitious, and that is whether this Ministry has considered possibilities of developing day care programs through the private sector and in co-operation with the private sector directly related to industry, much as is practised in some countries of western and Scandinavian Europe?

MR. DESJARDINS: I don't know if my honourable friend knows that in some of these countries they are reassessing day care, and they feel they have gone a little too far and I have seen a report on that. Yes, this is certainly being looked at but it is a question that is difficult because you would have to work a way that you don't lose your cost-sharing from Ottawa and there are certain rules that make it fairly difficult. But I stated that we are looking to start with the Mini-Skool and definitely in fact the Health Science Centre was in effect something like my honourable friend is suggesting, and fine. But

But if you get for instance for industry and so on, let's say you had the Great West Life, I don't know if too many of these people would qualify. You know you just told us awhile ago to go ahead and be more selective, spend the money wisely. Well many of the industries with the wages that they are paying now, most of the people would not qualify or would get very little money.

MR. SHERMAN: Well, Mr. Chairman, is there not a valid argument and a valid policy that could be pursued that would not call for the government to be paying the support of Day Care Centres related to industry at all, that that would be part of an industry operation?

MR. DESJARDINS: We are working with them now to try to develop something, we are doing that.

MR. SHERMAN: Mr. Chairman, according to the department's 1976 Annual Report in a statistical table on Page 203 of that report, my school-boy arithmetic leads me to conclude that only 20 percent of the number of pre-schoolers in the group care program are actually subsidized. Is that correct?

MR. DESJARDINS: It is now 35 percent, Mr. Chairman. It has now gone to 35 percent.

MR. SHERMAN: Thirty-five percent now subsidized. Well, that to a certain extent anticipates a further question that I had because once again on the basis of my calculations, I had calculated, Sir, that we were looking at 1,144 pre-schoolers receiving subsidy during the month. The month under review here, Sir, for the benefit of the Chair, is November 1st to November 28th, 1976, and it appears that the administration of that particular program cost \$335,400. And if you look at — (Interjection)— Is there? Because if you start doing division on that, you come up with a cost of administration of the program which amounts to something like \$233 for every pre-schooler on income subsidy.

MR. DESJARDINS: One of the reasons that the average is low is that the pre-schoolers don't

attend all day also. That cuts down drastically the percentage. In the family day care there is 65 percent that are pre-schoolers subsidized; full group day care, 45 percent; and part-time day care, there is only 4 percent.

MR. CHAIRMAN: The Honourable Meer for Wolseley.

MR. WILSON: Is the Minister planning a policy of demand rather than need?

MR. DESJARDINS: Mr. Chairman, we are doing both. As I said, the community knows their need. They come and meet with our people. We work together and see if the need is there and of course if the need is there, usually that is when we would hope the demand will be and we go ahead. But we don't run the program and it might be that certain areas should have day care and if there is nobody to run it, my honourable friend said he doesn't think the government should run it, but we have never refused a single day care that qualifies.

MR. WILSON: By way of explanation, the Liberal policy has seemed to have been one of "on demand." In fact, one of their candidates has publicly stated this at their convention and she feels that every woman that wants to have a child looked after through day care should be able to go to a day care and say, "I want my child looked after." That is what I meant by demand. Are you examining the need criteria or are you going for the demand criteria?

MR. DESJARDINS: I can't speak for everybody in this House. The department is looking at the needs. I am saying that there are now people that are interested, I think from all sides of the House, in universal day care, but at the moment we are not contemplating this.

MR. WILSON: Well, is the Minister planning to consider closing some of the day cares that don't have a true need because he was talking about a need? I am talking about, is there no way, for instance, Windsor Park with six children and Happiness Is with eighteen, some examination could be considered if only two or three? Maybe it might be cheaper to bus them to another day care rather than have these centres being operated when there doesn't appear to be a need if the policy is need?

MR. DESJARDINS: We don't intend to close any one. We don't if there is need for six, there will be six. Those people need it as well as anybody else. The cost won't be as large and that family day care should take care of that. If there are six, I would imagine that once we can get this family day care going, that you would have family day care instead of group day care. And one thing, we certainly don't intend is to start busing pre-school kids all over the place.

MR. WILSON: I just have two more questions. Is the Minister planning professional people for the core area and elderly people and others like he talked about in his speech for the more affluent suburbs?

A MEMBER: Tell him to read Hansard.

MR. WILSON: Then is the Minister planning any partnerships with any industrial firms, hospitals, university, or garment family factory districts? Has there been any move towards this type of thrust that is very prominent in West Germany?

A MEMBER: You just tell him to read Hansard.

MR. CHAIRMAN: Resolution 62(d)(3). The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, we touched on a point that a certain appropriation was voted last year and not all of it was spent and that leads me to a question with respect to this year's appropriation. We are being asked, Sir, to vote approximately \$4.1 million and I don't think it is an illegitimate question to ask, Mr. Chairman, as to whether the government intends to spend it.

MR. DESJARDINS: Mr. Chairman, last year when I asked for this amount of money, I had every intention in the world to spend as much as . . . well, not necessarily just to spend it, if these centres could be developed fast enough. This year I certainly intend to do the same thing, especially when we have cut down on the budget as much as we have. There is no secret that the First Minister, I think that was a public statement that was a policy of the government, at sometime near the end of the year or so said that certain programs in all the departments that haven't been started had slowed down a bit because of the period we are going through. I have no way of knowing. I don't think this will happen again. I hope not but I can't control that. I wanted every cent of it last year and I want every cent of it this year.

MR. SHERMAN: Was the Day Care Program, Mr. Chairman, singled out as a specific target of the budget-tightening process?

MR. DESJARDINS: No. No, Mr. Chairman.

MR. SHERMAN: Mr. Chairman, I would like to ask the Minister and he may want this put in the form of an Order for Return or you may, Sir. Let me just put it to you and you can direct me. I would like to ask the Minister how many new child care spaces were opened in 1976 and are now active with regard to the three categories of nursery schools, family day care and group day care.

MR. DESJARDINS: We'll give you that right now.

MR. SHERMAN: Could I add another question to that Mr. Chairman. The Minister says he can give me that information.

MR. SPEAKER: I beg your pardon?

MR. SHERMAN: Could I add another question to that if the Minister feels he can provide us with

that information, could I ask him how many new child care spaces will become available in 1977 with regard to the same three categories, Nursery, Family Day and Group Day Care?

MR. DESJARDINS: The new ones for this year, that will be quite difficult. If we're successful in getting arrangements with the Mini-Skool there should be 200 right there. Now that doesn't mean that all these places will be filled. We were talking about demand. Many of these places are not filled so we're running pretty good.

The group day care in 1976 was 3,685 and this year 5,276. The family day care, that is quite difficult. That program hasn't been going as well as we would like to see it go. This is something that would help when you haven't got a Day Care Centre in an area where you can get somebody that can take five children and I've already explained that. It's because of the licencing and we're looking into that. We might have to change legislation. I have a meeting slated after my Estimates with Councillor Galanchuk of Winnipeg and we've discussed that over this year and I hope it improves.

MR. SHERMAN: You say the nursery schools cannot be answered definitively because of the Mini-Skool arrangement.

MR. DESJARDINS: No, well of course, that will take some of the funds but I think that we could make a good arrangement where we would like to do what we're discussing because we want this to be cost-shared by Ottawa. Also that we might have a possibility of setting up a nonprofit organization who would then rent, if this is acceptable to Ottawa, rent these empty spaces. The spaces are there and the teachers and everybody is there so we would not fund the 200 that they have now. We would not fund those. It would be like a private one but we would rent the spaces. That could be done so you could start that practically as soon as there is demand. I think we've got close to ten now that we are looking at. And then we are developing a program for the special needs that my honourable friend mentioned awhile back.

MR. CHAIRMAN: Resolution 62(d)(3). The Honourable Member for Fort Garry.

MR. SHERMAN: Can the Minister tell the Committee how these applications are handled for the increased spaces? Are they handled on a priority basis, or a first-come-first-serve basis, or what is the procedure?

MR. DESJARDINS: It would be on a question of need, need financially and we would favour the single parent for instance' although there is no set of rules.

MR. SHERMAN: What is the Ministerial or the departmental policy as to the determination of maintenance grants and maintenance grant levels and this reverts back to an exchange we had earlier this evening. Fort Rouge for example, Fort Rouge Day Care Centre received \$460 in 1976. The River Avenue Centre received \$480.00. There is a range of discrepancies in there. How are those maintenance grant levels determined?

MR. DESJARDINS: These are based on the actual approved budget submission and their actual operating costs and I would guess that this year I think most of them will go to the maximum of \$500.00.

MR. SHERMAN: Two more questions, Mr. Chairman. One is with respect to the possible existence or is there an existence of special subsidies or special incremental assistance, for example for day care operations in northern Manitoba, particularly with regard to start-up grants and/or maintenance grants?

MR. DESJARDINS: I'll give you an example of a single parent with one child in day care in Winnipeg. Full subsidy available with net income of up to \$5,600 per year is \$5,119.76. Partial subsidy available with net income of up to \$8,720 per year is \$7,776. Now in the north the same thing will be full subsidy available with net income of up to \$6,370 and this year \$5,800. In other words, \$5,100 in Winnipeg and \$5,800 in the north. Partial subsidy available with net income of up to \$7,700 in the city and \$8,400. That should give you an idea.

MR. SHERMAN: Is there any difference in start-up grants and maintenance grants, Mr. Chairman?

MR. DESJARDINS: No, Mr. Chairman. Well the maintenance grant as we already defined but not because it's between north and south.

MR. SHERMAN: There's no northern differential. Mr. Chairman, could the Minister explain the government's policy with regard to status Indians in the field of day care. For example are there any Day Care Centres on Indian Reserves? Or who is meeting preschool needs in that area?

MR. DESJARDINS: Well, first of all the question of the natives, as I said there is a sub-committee of Cabinet that is dealing between our First Minister and the Prime Minister in the sub-committee. That is being reviewed. But I can tell you we'll have a good look at that before we set one on the Reserve. I don't know what the people would do. There are not that many that are working right now. Where would they go when the kids are in the day care? If they want to get an education or go to work, we'd be only too pleased to put a centre there.

MR. Resolution 62(d)(3)—pass; Resolution 62(e) Employment Services (1) Salaries \$99,600—pass; Other Expenditures \$30,200—pass; (3) Financial Assistance \$133,200—pass; Work Activity Projects \$3,286,300. The Honourable Member for Rhineland.

MR. BROWN: I wonder if the Minister would be able to give us a breakdown as to how many work activity projects there are at the present time and the funding of these?

MR. DESJARDINS: There is the anitoba Associated Northern Work Activity Program, last year received \$673.8 thousand, this year \$815.7; the Amaranth, \$363.9, this year \$398.1; Winnipeg Home Improvement Project, \$753.1, \$754.4; the Westbran Work Activity Project, \$830.5, this year \$927.5; Pioneer Service Centre Work Activity Project, \$407.9 this year \$390.6.

MR. BROWN: I wonder if the Minister could give us an indication of how successful these programs are and whether there is a continuation of this program. Is there going to be an expansion of this program or is it going to be curtailed?

MR. DESJARDINS: The projects which involve persons with a history of difficulty of finding and holding employment are Winnipeg Home Improvement Project which repairs and rennovates homes for low income residents. Currently it has 75 participants and is doing quite well, 75 participants.

Pioneer Service about 15 participants, that is the group that operates the restaurant in the department's buildings for the elderly and I think that's also doing quite well.

Amaranth operates a toy workshop, provides agricultural construction assistance; currently about 42 participants.

Westbran, Brandon, has 74 participants; park development and recreational facilities and home repairs. They might also work in preparing the facilities for the Canada Games that will be held in Brandon. That's being reviewed.

Manitoba Associated Northern Work Activity Project operates at Camperville, Duck Bay, Crane River and Pelican Rapids. There are about 73 participants there.

In all cases the participant also receives basic education in life skills training. There are a total of 275 participants and 72 staff.

MR. BROWN: I wonder is the Minister intending to go ahead with this program or is there any cut-back in this particular program planned?

MR. DESJARDINS: If I don't intend to go ahead you'll be voting \$3,286.3 million for nothing. I'm asking for that.

MR. CHAIRMAN: Resolution 62(e)(4)—pass; 62(f) Income Security Field Operations (1) Salaries \$2,991,500. The Honourable Member for Rhineland.

MR. BROWN: I wonder if the Minister could give us a breakdown of these salaries, where this money is spent?

MR. DESJARDINS: We have a total staff of 240, that's three less than last year. There is a provision for Income Security Staff which includes the directors, income security field workers, service clerks and clerical staff in 14 regional offices located throughout the province.

Income security field workers takes and reviews new applications for financial assistance, assesses financial assistance to recipient of social allowances, audits financial assistance transactions, carries out home visits. Service Clerks within an assigned case load under the social allowance program prepares and authorizes financial assistance' performs case adjustments, authorize payments to suppliers, also responsible for interviews with or telephone calls to and from social allowance recipients. They're the people that run the program that we covered quite extensively, I think it was yesterday or the day before.

MR. BROWN: I'm not quite sure whether this would be coming under Salaries, but how much are blind persons receiving at the present time? What is their allowance and has this been reviewed recently?

MR. DESJARDINS: We're only dealing with the staff now. This other point was covered under Income Security.

MR. CHAIRMAN: Resolution 62(f)(1) Salaries—pass; 62(f)(2) Other Expenditures \$543,900—pass; Resolution 62(g) Basic Annual Income Project \$3,986,900. The Honourable Minister of Health and Social Development.

MR. DESJARDINS: Mr. Chairman, I'd like to inform the members that on this I can't give them too much information. As I stated last year we have an agreement. I cannot reveal any information without the authority of the Federal Government, but I did want to give you more than we did last year. I want to give you a short statement that I've had approved and I have the authority to give you at this time. So I'll read this statement.

The Canada Manitoba agreement of June 4, 1974 provided a total budget of \$17.3 million including expenses incurred as early as 1972 and anticipating termination in December 1978. An amending agreement in April 1976 reaffirmed a \$17.3 million budget but extended the project by 3 months to the end of the fiscal year, March 1979. Although the general purpose of the experiment remains the same changes in the particular objectives of that has significant impact on the distribution of expenses. Only \$4.2 million has been spent this fiscal year compared to the \$5,066.80 million in the printed Estimates because of the major reallocation of expenses away from behavioural research towards data activities. The government's general policy of restraint was also a factor. The \$3,986,900 estimated for the 1977-78 year is decreased compared even to

the actual for 1976-77 because of the end of large segments of the payments and surveys program scheduled for December 1977 and because of cost efficiency gain.

2. Purpose of the Manitoba Basic Annual Income Experiment. Mincome Manitoba has been simultaneously testing seven basic annual income plans with the principle purpose of measuring the effects of these income maintenance plans on the incentive to work and to earn. The interviews which collect this information also measure other important behavioural responses. At the same time Mincome Manitoba tests and evaluates the administrative aspects of delivering such purely income tested programs. Not only does it assist in estimating delivery costs but it also makes Mincome Manitoba a resource of practical experience which may be applied to existing income security programs like social allowances. In fact officials in Saskatchewan have already consulted with Mincome Manitoba regarding technical aspects of their Family Income Plan. Within our own department as well the Income Security Branch has been utilizing some of the administrative experience of Mincome Manitoba in conducting a pilot project in Brandon.

3. Change in the Particular Objectives. The original Mincome Manitoba plan called for a substantial amount of behavioural research to be completed during the life of the experiment. It was obvious by April 1976 that these research plans could not be achieved within the \$17.3 million budget and time allocated to the project. Facing a period of fiscal restraint the two funding governments agreed to revise Mincome objectives.

The revised objectives are the following: (a) to complete administrative and technical studies during the duration of the experiment and (b) to make available to the Canadian research community a data base of Mincome payments and surveys information for future research. There are currently no specific plans for future research, however, there is no doubt that that Canadian research community is anxiously waiting for this unique data base, the only one of its kind in Canada. The Federal Government has also indicated strong interest in conducting research on Mincome Manitoba data as soon as it is available.

4. Participation. The changes in the objectives do not affect the payments in the interviewing of participants. Those who started payments in 1975 will end participation as scheduled, December 1977. The 250 families and individuals in Winnipeg who were added to the sample in January 1976 will end participation as scheduled December 1978.

As of January 1977 there were 1,655 participant families and individuals in the experiment; Winnipeg, with 1,057, rural areas with 178 and Dauphin with 420.

5. Continuing Policy relevant to the Mincome Manitoba Experiment. The basic annual income experiment remains an important and a highly relevant initiative by Canada and Manitoba. (a) the results so far from the American Income Maintenance Experiment are contentious and conflicting. Evidence from Mincome may shed some light on the important question the experiment was set up to consider. (b) There appears to be a renewal of interest by some provincial and federal policy makers. B.C. has indicated an interest in moving toward a guaranteed income and a group of B.C. government officials recently consulted with Mincome on policy options and Quebec has shown an interest in the early introduction of Mincome Security Reforms and a Federal Task Force in Finance has been established to evaluate the integration of the Tax and Income Transfer System.

As far as the result of the experience, as I stated, I can't give much more than I have now and this experience will finish by the end of the fiscal year March 1979.

MR. CHAIRMAN: I believe there is a disposition for the House to rise, is there? —(Interjection)—
Last item . . .

MR. DESJARDINS: . . . if at all possible and as I say there is limited information that I can give on this item.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: —(inaudible)— to the members of this Committee that the Committee on Municipal Affairs has terminated their business. There are some that would like to go over to the . . .

MR. DESJARDINS: Well fine let them go.

MR. WILSON: All right, all right you've been yapping all night.

MR. DESJARDINS: That's right. I want to finish.

MR. PAULLEY: Just give that information informally to the Committee and I'm sure most of them will accept it.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, last year early in the game I crystal-balled the failure of this program and I'm going to repeat the same charge this year. I cannot see why a particular member of this House

has to do all the detective work himself to find out what's going on with taxpayers money. I would like to know what this program proved for \$17 million. I haven't been able to find out any particular answers. Originally the concept was to do away with most of the civil servants, the social workers, the welfare workers and give everybody a basic annual income, but we all knew from the beginning the empire builders would never do themselves out of a job so the program was doomed to failure. The 250 families and individuals in Winnipeg who were at it got hold of me as somewhat of an expert in this particular thing because I was doing a lot of searching around to try to find some of these families and I noticed with interest that originally the concept when they did practically have most of this information in the United States the government brought up on contract many people from the United States, some of who have since become civil servants in this government. And this information that they had was based on urban facts, figures, stats., and what have you, so it was felt by the Federal Government that they would bring in this program to find out about rural areas.

Well, Mr. Chairman, the Minister has just stated that there is only 178 rural families and 1057 in Winnipeg. There is a few in Dauphin because that's originally where the program was supposed to start. So I want to know what good are all these figures that they are going to compile between now and 1979 going to do if they are already available in the United States? This program was designed to test and to study rural families who were basically on a guaranteed annual income, who could plant a garden and live an individual private life, and be satisfied to let the world go by. But not this Minister, he sent his army of civil servants out. I calculate from the Public Accounts that he has got 104, I think, on basic annual income projects. Let's say 100 on staff to look after 1000 families. Last year I charged that figures indicated that it cost \$1.25 to give away \$1.00. There was never any rebuttal to that. So, for the life of me, I really still am astonished as to what this program is doing other than to waste the Manitoba taxpayer's \$4 million.

They go around knocking on doors and say, "Do you want to go on Mincome?" And many people that I have been able to discover, not that many because it is very secretive, they give them a cheque every month and they are not compelled to really account only under certain particular levels, as to other income that they make. They are supposed to report it, but this hasn't been and I'd like the Minister to tell me how many convictions there have been for false reporting. I doubt very much if there has been too many convictions. Has the Minister got any comment? Has there been any abuses, or is all this information secretive? Because I know the gas company, the other day, shut off a Mincome family's gas because they owed \$900 on a gas bill. Apparently when you give some of these people that can't manage money one chunk of money every month they are unable to cope with the time period that's involved.

I have other questions as we go along. I just want to ask the Minister if he can maybe elaborate what has this program proved.

MR. CHAIRMAN: Resolution 62(g). The Honourable Member for Wolseley.

MR. WILSON: Well, basically I'd like to ask under this thing if he could give us a breakdown of the space and the payroll — I agree in Public Accounts but this is a year old — has he hired an extra twenty or thirty people? How much office space has he got and how long a term of lease has he got on that space? Is the office space leased until 1980? Is it going to be a further waste of taxpayer's money? Has this space now because of the cut-back in the program proved to be surplus? These are some of the concerns that I have.

I would like to congratulate my colleagues. This one particular situation is definitely a victory for the opposition.

MR. CHAIRMAN: Resolution 62(g)—pass. The committee rise and report. Call in the Speaker.

The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.

IN SESSION

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

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

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Health that the House do now adjourn.

MOTION presented and carried, and the House adjourned until 10:00 a.m. Friday.