

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 29, 1978

Time: 2:30 p.m.

**OPENING PRAYER** by Mr. Speaker.

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** I should like to draw the honourable members' attention to the gallery where we have 30 students of Grade 11 standing from the Gimli Composite High School under the direction of Mr. Onyschuk. This school is located in the constituency of the Honourable Minister of Education.

We have 30 students of Grade 3 and 4 standing from the John M. King School under the direction of Mrs. Elsa Harmatz. This school is in the constituency of the Honourable Member for Wellington.

We have 24 students of Grade 4 and 5 standing from David Livingstone School under the direction of Miss Kathy Fisher. This school is located in the constituency of the Honourable Member for Point Douglas.

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

Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MR. SPEAKER:** The Honourable Minister of Consumer Affairs.

**HON. EDWARD MCGILL (Brandon West):** Mr. Speaker, I wish to read a statement regarding Phase IV of the Rent Stabilization Program.

The maximum allowable rent increase for Phase IV which covers the period October 1, 1978 to September 30th, 1979 is as follows:

(a) 6 percent where the landlord pays for both heating and domestic power such as lighting, cooking, air conditioning, etc.

(b) 5.5 percent where the tenant pays for either the heating or the use of domestic power, but not both.

(c) 5 percent where the tenant pays for both the heating and the use of domestic power.

The maximum allowable rent increase has been segregated into three categories for Phase IV in recognition of the variable conditions which exist within the rental market. The segregation is designed to provide a greater degree of equity among landlords and tenants based upon the incidence of costs.

In making this statement today, I do so, trusting that sufficient lead time is being given to both landlords and tenants prior to commencement of Phase IV of the program.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. WILSON PARASIUUK:** Thank you, Mr. Speaker. In response to the Minister's statement, I would like to say that we don't have that much to say with respect to the three points indicating what the allowable rent increases will be between October 1, 1978 and September 30, 1979. I think more study is required to see whether in fact these are in line with the cost of living; and whether in fact only a 1 percent differential between rents where utilities aren't paid and rents where utilities are included, is a sufficient one.

The point that I would like to make though, is that there still is no documented reasons for lifting any of the rent controls as of October 1, 1978. The latest statistics that we have indicate that the vacancy rate has indeed gone down.

The vacancy rate has gone from 1.9 percent to 1.3 percent. And if you look at the old part of the City of Winnipeg — not the inner core but what might be called the old City of Winnipeg

— the vacancy rate in those areas is less than one half of 1 percent.

Given that very low vacancy rate and given the fact that that is the area that provides the bulk of rental accommodation for lower income families and also for senior citizens who are renting through the private market, it would appear that unless some program is launched to provide rental accommodation for low income families and for senior citizens programs, that the absence of that type of a program and the taking away of rent controls on certain types of apartments, will indeed put tremendous pressures on these apartments where the rents are going to be controlled so that landlords, probably, will go into the black marketing of rental accommodation units. The government, although it's announced this particular set of levels in sufficient time that landlords and tenants can make adjustments, the government has done nothing to ensure that no black marketeering will indeed take place and yet by the absence of other programs, most notably from the Minister of Housing, we will not have any way of actually lowering or increasing the vacancy rate for the lower income families and for senior citizens, from 1.3 percent to an acceptable level of 4 or 5 percent before any rent controls are taken off.

**MR. SPEAKER:** Notices of Motion.

### INTRODUCTION OF BILLS

**MR. MORRIS MCGREGOR (Virden)** introduced Bill No. 34, An Act to exempt the OO-Za-We- Kwun Centre Incorporated from Certain Provisions of The Liquor Control Act.

**MOTION presented.**

### ORAL QUESTIONS

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

**MR. EDWARD SCHREYER (Rossmere):** Mr. Speaker, to the Government House Leader. We are, it would seem to me, to be at that stage in the Session which is, if not the beginning of the end of the session, at least it's the end of the beginning of the session and I'd like to ask the government House Leader if he can indicate in at least an approximate way, whether he anticipates that there will be "X" numbers of substantive bills still forthcoming beyond what has already been tabled.

**MR. SPEAKER:** The Honourable Government House Leader.

**HON. WARNER H. JORGENSON (Morris):** I'm encouraged by the optimism of my honourable friend. I would like to be able to share with him that optimism this session is coming to a close. I'm not able to tell the honourable member precisely the number of bills that are yet to be introduced, but the numbers are not all that great. I'll perhaps be able to give him a better idea within a few days.

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

**MR. SCHREYER:** Yes, Mr. Speaker, my next question is the Minister of Finance in his capacity as Minister reporting for energy policy, and it flows from my question of late last week, that is to ask the Minister whether he can undertake to be somewhat more definitive as to whether the Province of Manitoba will be working towards a change in the position that it puts forward to the Federal Government with respect to prevailing practice to date relative to oil and gas pricings, given that there appears to be major significant change in estimates of reserves of those fuels in our country.

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, with regard to the pricing of oil, the agreement that was — not necessarily an agreement, but a policy enunciated by the Federal Government that was undertaken some 12 months ago, will see three more price increases per barrel of oil, July 1, January 1 and July 1, 1978/79, July 1, 1979 being the final one with regards to oil. We have no further position to take on that; it's a policy that is will be executed by the Federal Government and I doubt that any input from any of the provinces is going in any way change that.

With regard to natural gas, there will be hearings starting this fall with regard to overall natural gas supply in Canada. We expect to make an input into those hearings by the National Energy Board

and we expect also to make a much — our target primarily is for hearings with regards to the Polar Gas Pipeline which is expected will likely follow those hearings probably around the first of January, 1979, so our program is presently geared to preparation of Manitoba's position for the fall although October roughly of 1978 was the complete presentation for the Polar Gas hearings which we think, although it hasn't been announced yet, will be around the first of January, 1979.

**MR. SCHREYER:** Well, Mr. Speaker, flowing from that answer I should like to pose a further supplementary question to give the Minister an opportunity to clarify so as not to be misunderstood or misinterpreted. When the Minister indicated that there were three additional price increases in the works to be undertaken, to be brought about in the course of the next year; July and next fall and then the following winter or spring. And he referred to the last of the three as being the final one. I'd like to ask the Minister if by that he means that that is the last of three that are currently definitely contemplated or whether he has been advised that it is guaranteed to be the last price increase in the foreseeable future.

**MR. CRAIK:** Well, Mr. Speaker, we haven't had any indication from the Federal Government that there is going to be any change with regard to their policy that would extend it beyond July 1st of 1979, and I would think that the announcement by the OPEC countries — well, at least Saudi Arabia — that there is not going to be a change with regard to world oil prices by then prior to 1980 — and inasmuch as the round of increases in Canada was designed on the previous world oil prices, that I would doubt very much whether Canada would have a sound position upon which to request any increase beyond July 1st of 1979.

**MR. SCHREYER:** Well, Mr. Speaker, in that context then, understanding the Minister's reply to mean that there is nothing contemplated beyond the three price increases by midsummer of next year, depending upon possible further international price changes, may I ask the Minister then whether the Province of Manitoba feels that nothing can be done with respect to at least the last two of the proposed three further increases, given that there has been publicity given and not denied by the oil and gas companies, some of them, that there is "a surplus of natural gas, surplus to our needs." And I take care, Sir, to point out that these are not my words; I am quoting industry spokesmen. Given that that is their statement, can the Minister indicate perhaps just a little more definitively whether that is not sufficient basis for the province to revise its attitude and position relative to federal policy with respect to further increases?

**MR. CRAIK:** Mr. Speaker, the slated three further increases are with respect to oil. With respect to natural gas, I expect that there may be some policy re-examination this fall, when the National Energy Board undertakes its full scale hearings with regard to natural gas supply. The indications are that the present natural gas bubble, or whatever it's referred to, is one that could last through until about 1982, but then we could well be back into the situation again where we do not have the position that will probably last for the next four or five years. But just to repeat, Mr. Speaker, the round of increases are with respect to oil and not specifically to natural gas.

**MR. SCHREYER:** A final supplementary, Mr. Speaker, and that is to ask the Minister whether he can indicate if it is not a fact that while the announced next three price increases are relating to oil, that it is nevertheless at the same time the current national policy the provinces are asked to agree to, that natural gas prices will follow a fixed proportional relationship to that of oil. Can the Minister say if he is aware of any change in that respect?

**MR. CRAIK:** No, Mr. Speaker, there has been no change with regard to that position, that Manitoba is aware of at this time.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. SIDNEY GREEN:** Mr. Speaker, I'd like to direct a question to the Minister of Tourism. Mr. Speaker, can the Minister assure the Province of Manitoba that he has legal advice that the Province of Manitoba is in no way obligated to Mr. Jarmoc for having led him to build the \$100,000 road from the public highway to his private property?

**MR. SPEAKER:** The Honourable Minister of Tourism.

**HON. ROBERT (Bob) BANMAN (La Verendrye):** Yes, Mr. Speaker, the gentleman is asking for

a legal opinion. My legal opinion was that there was no obligation and that an easement had been granted and that was all.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, I'd like to direct a question to the Attorney-General. May I ask the Attorney-General whether his department has looked into the Jarmoc case and whether he can assure the people of this province that they are in no way financially obligated to pay for the \$100,000 in costs that Mr. Jarmoc has incurred in constructing his road to his private property through public lands?

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. GERALD W.J. MERCIER (Osborne):** Mr. Speaker, I can assure the honourable member that the Civil Litigation Branch of my department has rendered an opinion to the Minister of Tourism in which they acknowledged that the easement was only granted for the purpose of building a road. That is just a legal opinion, Mr. Speaker, supported by an outside legal opinion which the Minister of Tourism also obtained and which Mr. Jarmoc acknowledged in writing to the Minister of Tourism.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Mines. Can the Minister of Mines advise us whether the people of this province, in partnership with Granges Exploration of Sweden, are able to get any further information as to the possible discovery in the area of Flin Flon at the present time?

**MR. SPEAKER:** The Honourable Minister of Mines.

**HON. BRIAN RANSOM (Souris-Killarney):** Well, Mr. Speaker, the province's interest in that particular find had been turned over to Manitoba Mineral Resources and I have not had a report from Manitoba Mineral Resources that would indicate anything different from what we are aware of, prior to this date.

**MR. SPEAKER:** The Honourable Member for Inkster on a fourth question.

**MR. GREEN:** A supplementary, Mr. Speaker. In view of the fact that there was to be considerable exploration work this winter, and I think that we can now be fairly well satisfied even in Manitoba that it is summer, could the Minister determine whether this is so or could he advise us that very soon Manitoba Mineral Resources will be before the House so we could question the president of the corporation, or his designee — I understand the president is ill — so that we can get this information?

**MR. RANSOM:** Well, certainly, Mr. Speaker. I will enquire as to the status of that particular find and if it appears to be some time before the Crown corporation will be before the legislative committee then I will attempt to give that information to the House.

**MR. SPEAKER:** The Honourable Member for The Pas.

**MR. RONALD McBRYDE:** Mr. Speaker, I have a question for the Minister of Northern Affairs. I wonder if the Minister could now confirm what he was previously unable to confirm and that is that the equipment of Minago Contractors was worth over \$1 million?

**MR. SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. KEN MacMASTER (Thompson):** Mr. Speaker, I can simply say that the equipment of Minago Contractors was worth over a million dollars to somebody.

**MR. McBRYDE:** Mr. Speaker, I would like to ask the Minister, through you, whether or not he has worked with the Minister of Finance to establish a procedure whereby the funds or the profit earned from the sale of Minago equipment could be reinvested in the north for the purpose of economic development and job creation.

**MR. MacMASTER:** Well, Mr. Speaker, originally in any sale of assets, there is a procedure that

is followed and that is back into the provincial revenues and that is where it will go originally.

**MR. McBRYDE:** Mr. Speaker, I would assume from the answer that the Minister has not attempted to work out an arrangement whereby the funds could be reinvested in the north. I wonder if the Minister can indicate to the House whether or not most of this equipment has left the province or whether it was purchased by people within the Province of Manitoba.

**MR. MacMASTER:** I don't have that breakdown, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. PARASIUK:** Mr. Speaker, I would like to rise on a matter of privilege. On Friday afternoon, May 26th, the committee met from 2:30 to 4:30 o'clock to discuss Housing Estimates. During the course of that meeting, questions were asked of the Minister regarding land held by Leaf Rapids Corporation in West Selkirk and in South St. Boniface. I find, at the end of that meeting, that at 2:30, just prior to that meeting, the Minister had released to the press statements indicating that Leaf Rapids Corporation had been dissolved and that MHRC had taken over the assets and activities of that corporation. I raise this as a point of privilege and I think it would be normal procedure for the Minister to release that statement to the members before releasing it to the press.

**MR. SPEAKER:** Order please. As a matter of interest, could the member indicate to me whether he is raising it as a matter of personal privilege or a privilege of the House?

**MR. PARASIUK:** I think it is a matter of privilege of the House because all members of that committee were affected. I had a colleague from Lac du Bonnet, the Member for Lac du Bonnet was raising questions about land held by Leaf Rapids Corporation; the Member for Fort Rouge at that meeting as well was asking questions relating to Leaf Rapids' activity and the Minister wasn't being too specific in those answers regarding those questions while, at the same time, prior to that meeting, he had released to the press this statement which I have now. It was given to me by the press after that meeting. I gather that he released it to some members of the committee just at the end of that committee meeting. So that's the point of privilege that I'm raising on behalf of the members of the House.

**MR. SPEAKER:** The Honourable Minister responsible for Housing on the same point of privilege.

**HON. J. FRANK JOHNSTON (Sturgeon Creek):** Mr. Speaker, the press report that the honourable member is speaking of was basically approved just before the committee started. I received the copies of it in the committee just as it was ending and, as the member mentions, gave them to members of the opposition, the Honourable Member for Selkirk and the Honourable Member for Fort Rouge. If I have made a mistake, Mr. Speaker, I would apologize but I didn't think that I was doing anything wrong for the following reasons: The Leaf Rapid Corporation was incorporated in March, 1977, on the 30th of March, the day that the House was in Brandon last year. There was no statement made in the House the following day or the day after that Leaf Rapids Corporation (1977) Limited was established. On April 14th, the original meeting of the corporation was held and I believe the Member for Transcona was involved as being either the chairman or part of the signature that formed the corporation and I have checked Hansard and on any of those days or during that week there was no announcement made to the House. So, Mr. Speaker, if the news report has gone out at the wrong time, that's fine, but I must also say, Mr. Speaker, we are still in my Estimates and the honourable member has every right to question me on it.

**MR. SPEAKER:** The Honourable Member for Burrows on the point of privilege.

**MR. HANUSCHAK:** No, Mr. Speaker, a question.

**MR. SPEAKER:** Well, before we proceed with the questions, I would like to say that matters of privilege dealing with policy of government are very sincere matters. If the policy of government is not announced in the House and is announced outside while the House is in session, I feel that any member has a very legitimate reason to raise it as a matter of privilege. However, whether you consider the sale of assets of a particular corporation as a matter of policy of government, to me is somewhat . . . I don't know whether it constitutes policy or not. It may be nothing more than a housekeeping matter of the department. I suppose if you carried it to its logical conclusion, no department could really do anything of an internal matter without raising the matter in the House,

so it's a very ticklish line that you follow on what constitutes a matter of major policy and what is an in-house operation. However, I would caution all members of government, in particular, that if you do have a matter of major policy concerning the Province of Manitoba and the House is in session, I would hope that those statements are made in the House and not outside.

The Honourable Member for Burrows.

**MR. HANUSCHAK:** Mr. Speaker, I have a question for the Honourable Minister of Industry and Commerce. Is he now in a position to report on the outcome of the call for offers to purchase of Morden Fine Foods?

**MR. SPEAKER:** The Honourable Minister of Tourism.

**MR. BANMAN:** No, Mr. Speaker, that matter has not been dealt with by Cabinet yet.

**MR. HANUSCHAK:** Yes, a supplementary, Mr. Speaker. In view of the fact that the deadline for offers had closed over a week ago, could the Minister indicate when he may be in a position to report on the outcome of it?

**MR. BANMAN:** Mr. Speaker, as I mentioned before, the company is continuing operations and I hope to make an announcement with regard to that in the very near future.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS:** Thank you, Mr. Speaker. I would like to address a question to the Minister of Consumer Affairs involved in rent control administration. Would the Honourable Minister please advise the House what procedures that he or the government are putting in place to ensure that there will be an adequate overseeing of the decontrol process. I'm especially referring, Mr. Speaker, to the process whereby tenants leave their particular apartment so that that apartment then becomes decontrolled. What assurance is he pursuing, what assurance can he give us that tenants are not being unduly forced out so that the landlord can then charge a higher rent or a decontrolled rent?

**MR. SPEAKER:** The Honourable Minister of Consumer Affairs.

**MR. MCGILL:** Mr. Speaker, in reply to the Member for Brandon East, I believe that matter was anticipated and the point was dealt with in the original statement on the policy with respect to the disengagement process that was to begin in October of this year. It was explained at that time to the House, Mr. Speaker, that where a tenant felt that he had been harrassed or that there had been pressure placed upon him to leave the premises, he had the right and privilege of communicating his feeling on the matter to the Rent Stabilization Board. If the Board felt that there was some substance to the tenant's complaints they would be in a position to ask the landlord to report to them the circumstances. If they were not satisfied with the report of the landlord, then the premises would not be decontrolled; the order of decontrol would not be issued until the Board was satisfied on that score.

**MR. EVANS:** I thank the Minister for his explanation, Mr. Speaker, but my question relates to how can he or the government assure themselves that this process is being carried out equitably and fairly; in other words, I am wondering what additional staff, what additional resources are being made available to the government or to the Rentalsman's Office to ensure that the decontrol process is being carried out in a fair way. It's one thing, Mr. Speaker, to set down the rules, but it's another thing to make sure that they're carried out. Are there new resources and new staffing being put in place to ensure that the administration is being carried out equitably and fairly?

**MR. MCGILL:** Mr. Speaker, the member in his question indicates that he has very little faith in the attitudes and operations of the landlords of Manitoba. I do not share his scepticism on this point; I believe that the landlords are by and large, people who will be fair and equitable in this matter. I do not anticipate a great deluge . of complaints from tenants who are alleging that they have been forced to move for reasons of intimidation or harassment. So, Mr. Speaker, if, as I feel is unlikely, the predictions of the Member for Brandon East are true, we will then augment the staff to take care of that, but we will not anticipate that such a matter and such a great increase in the number of cases will come before the Rent Stabilization Board.

**MR. EVANS:** A final supplementary, Mr. Speaker. Then, if I understand the Minister correctly, is

the Minister telling us that he is satisfied that he can rely on the landlords of Manitoba not to prejudice the position of tenants and that it is not necessary for him to add to the personnel of the Rentalsman's office for this purpose, so that therefore he believes that his staff, the staff that he has, the numbers of staff, are adequate for handling of this matter and that he will rely on the landlords to ensure that they do not attempt to in any way intimidate or pressure the tenants out of the units so that they can then charge a decontrolled, higher rent?

**MR. MCGILL:** Mr. Speaker, just to repeat to the Member for Brandon East, we are satisfied in the main that landlords will respect the tenants' rights and privileges and that they in the main will not resort to tactics that would be considered as harassment or intimidation. If indeed this does occur, we have the machinery in place that will be able to respond.

**MR. SPEAKER:** The Honourable Member for Ste. Rose.

**MR. A.R. (Pete) ADAM:** Thank you, Mr. Speaker. I have a question for the Minister of Agriculture. I would like to ask the Minister when he intends to table letters that he has received and which he quoted from on May 12 in introducing Bill 25; letters he has received from United Grain Growers, the Manitoba Farm Bureau, the Maine Anjou Association, Diploma Graduates' Association, Manitoba Beef Growers, and the Manitoba Cow-Calf Association.

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. JAMES E. DOWNEY (Arthur):** Mr. Speaker, I would check on that and possibly be able to do it very shortly.

**MR. ADAM:** Yes, I believe it's the rules of the House that these letters be tabled. I would like to ask the Minister another question. Is it correct that the draft copy for the legislation of Bill 25 was distributed in February, and not to the members of the opposition?

**MR. DOWNEY:** That is not correct, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for St. Vital.

**MR. D. JAMES WALDING:** Thank you, Mr. Speaker. My question is to the Honourable Minister of Tourism. It refers to his undertaking last week that he would make available to the House details of increases in cottage leases in provincial parks. Can the Minister tell me when we can expect that information?

**MR. SPEAKER:** The Honourable Minister of Tourism.

**MR. BANMAN:** Yes, Mr. Speaker. I'll try and have that for the member tomorrow.

**MR. WALDING:** Thank you, Mr. Speaker. A supplementary question to the same Minister. Can the Minister confirm that in some cases increases in leases have been in excess of 50 percent?

**MR. BANMAN:** Mr. Speaker, I'll table that tomorrow. I don't recall that being the fact; however, there are certain anomalies and some, 1,000 cottage owners in the province where those cottages are located in a local government district or municipality are subject to municipal taxes as well. That's one area that's going to have to be worked on within the next little while to try and come up with a solution to that particular problem.

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

**MR. HARVEY BOSTROM:** Mr. Speaker, my question is to the Minister of Mines. Given that other subdivision developers in the Province of Manitoba have to take out a permit to obtain materials on Crown land, can the Minister explain why the particular developer in the case of the Whiteshell Park, Mr. Jarmoc, did not require such a permit, did not appear to require such a permit, and did not to this date pay any royalties on materials used for the road?

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. RANSOM:** Mr. Speaker, that question is similar to one that I accepted from the Honourable Member for Transcona a few days ago, and I am attempting to get the answer for the previous question. I'm not at all sure that the premise that the Honourable Member for Rupertsland has used

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actually applies within the boundaries of the provincial park, but I will cover that when I respond to the previous question.

**MR. BOSTROM:** Well, Mr. Speaker, if the premise which I gave does not apply within the provincial park, will the Minister in replying to the question, indicate which department is responsible for collecting royalties in a provincial park, and why it was not done in this case?

**MR. RANSOM:** Yes, Mr. Speaker, I undertook to answer the question from the Honourable Member for Transcona which included that same line of questioning.

**MR. BOSTROM:** Mr. Speaker, my third question to the Minister of Renewable Resources: can he indicate what is the status of the request which the communities of Bloodvein and Princess Harbour have made with respect to the ferry operation which is supposed to be serving their two communities as well as their fishing industry for the month of June, which is fast approaching?

**MR. SPEAKER:** The Honourable Minister of Northern Affairs.

**MR. MacMASTER:** After a great deal of assistance from our department the particular communities have filed an application, I suppose is as good a term as any, for consideration and it's being worked on right now.

**MR. SPEAKER:** The Honourable Member for Churchill.

**MR. JAY COWAN:** Thank you, Mr. Speaker. My question is to the Minister of Labour. Can the Minister indicate to the House the current status of Labour's efforts to initiate an intensive investigation into safety and health conditions in Manitoba's mining industry?

**MR. SPEAKER:** The Honourable Minister of Labour.

**HON. NORMA L. PRICE (Assiniboia):** Mr. Speaker, there's a meeting slated for tomorrow afternoon, my office with the MFL and members of the Steel Workers.

**MR. COWAN:** Thank you, Mr. Speaker. A supplementary to the Minister. Has the Minister received comments on the terms of reference that her department proposed for the investigation, from either representatives of the mining industry or representatives of the workers, and if so, can she briefly summarize them?

**MRS. PRICE:** I have received some terms of reference in addition to what we have set up from both the MFL and the mining industry. As I mentioned the other day to one of the members, we will be going over them at our meeting tomorrow.

**MR. COWAN:** Thank you, Mr. Speaker. A question to the Minister of Northern Affairs. Can the Minister inform the House as to the results of this government's efforts to sell the Pakwagan operation at Wabowden?

**MR. SPEAKER:** The Honourable Minister of Northern Affairs.

**MR. MacMASTER:** I'll be informing the House when that is finalized, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Kildonan.

**MR. PETER FOX:** Thank you, Mr. Speaker. My question is directed to the Honourable Minister of Labour. Can she inform the House whether the Cabinet has completed its review in respect to the minimum wage and when we can expect a recommendation?

**MR. SPEAKER:** The Honourable Minister of Labour.

**MRS. PRICE:** Mr. Speaker, we haven't completed our review.

**MR. FOX:** Mr. Speaker, I'd like to ask another question of the Minister of Labour. Can she indicate when she was informed, and how, as she previously indicated, that the Minimum Wage Board had no further useful purpose?

**MRS. PRICE:** Mr. Speaker, I mentioned that being as how the final say in regard to the minimum

wage is a policy of Cabinet, there isn't much use in their meeting at this point.

I'd like to show them something I got, and I think it's large enough for them to see here. This is something I got in the mail yesterday: \$2.65 an hour is the federal minimum wage in the hotel industry for people who get tips, and people who don't have them, is \$1.32-½, and that's what I've been stressing, that we have to stay competitive with our counterparts if we're going to attract any business into the industry.

**MR. FOX:** Mr. Speaker, I just wish to have it clarified, the Minister indicating that it was a policy decision that the Minimum Wage Board would no longer be a useful instrument.

**MRS. PRICE:** No, it isn't, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, I'd like to direct a question to the Minister of Labour. In view of the fact that the Minister indicates that she wants to be competitive with a \$1.32 set minimum wage, is the Minister telling me that the Cabinet review is in the direction of lowering the minimum wage in the Province of Manitoba to \$1.32 per hour?

**MR. SPEAKER:** The Honourable Minister of Labour.

**MRS. PRICE:** Mr. Speaker, the Cabinet hadn't even seen this piece of paper until I've just shown it now.

**MR. GREEN:** Mr. Speaker, I'd like to direct a question to the Minister of Labour. Is the Minister of Labour approving of a minimum wage of \$1.32 per hour, which she thinks should apply in this province to employees working in this province?

**MRS. PRICE:** Mr. Speaker, we have no intention of lowering the minimum wage; but what I am trying to stress is that we have to keep ourselves in competition with the other provinces and our counterparts, if we are going to have any business in this province at all.

**MR. GREEN:** Mr. Speaker, if we have to keep ourselves in competition with the minimum wage of \$1.32, can the Minister of Labour tell me how she's going to do that without lowering the minimum wage to \$1.32?

**MR. SPEAKER:** The Honourable Member for Lac du Bonnet.

**MR. SAMUEL USKIW:** Mr. Speaker, I would like to ask the Minister of Highways whether there has been any reduction in the numbers of staff with respect to Highway Maintenance and Construction Programming this year.

**MR. SPEAKER:** The Honourable Minister of Highways.

**HON. HARRY J. ENNS (Lakeside):** Mr. Speaker, the large complement of staff that's involved in the maintenance of highways, there's always a possibility of some changes taking place in any one of the number of crews over the 12 highway districts that look after the maintenance. The Estimates have provided for some slight increase in staff and maintenance dollars for the Maintenance Program this year.

Mr. Speaker, while I'm on my feet perhaps I can make note of the fact that the restrictions on Manitoba highways have been removed as of this morning in most instances, with a few exceptions having to do with some sections of the northern highway system. But the restrictions, generally, have been removed throughout the Province of Manitoba this morning.

**MR. USKIW:** Yes, Mr. Speaker. Would the Minister indicate to the House whether it is a continuing policy to properly locate flagmen on maintenance and construction sites in the highway system?

**MR. ENNS:** Mr. Speaker, I have no reason to believe that that policy has been changed. I think we endeavour to place flagwomen wherever possible, on our highways' and maintenance crews.

**MR. USKIW:** Mr. Speaker, my last question then is, would the Minister ascertain, with his engineers in the 12 districts, that they in fact are proceeding with that policy because I have had reports that

no flagmen were available on one construction project of the Highways Department?

**MR. ENNS:** Mr. Speaker, I would be pleased to do that. I would ask the Honourable Member for Lac du Bonnet to bring that particular matter to my attention, but no change in policy has been made that I am aware of.

**MR. SPEAKER:** The Honourable Member for Ste. Rose.

**MR. ADAM:** Yes. To the Minister of Highways, I would like to ask him if the policy has been changed in relation to seniority rights as far as hiring people back in the spring for construction, because I did have a complaint yesterday from a flagman that he has not been hired, and people with lesser seniority is on the jobs that he could perform.

**MR. SPEAKER:** The Honourable Minister of Highways.

**MR. ENNS:** Mr. Speaker, again I would ask the honourable member to bring the particular complaint to my attention and I'd be more than happy to look into it.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. EVANS:** Thank you, Mr. Speaker. I'd like to ask the Minister of Labour, who's responsible for the Civil Service Commission, whether she can give the House a breakdown, by department and classification, of the 1,300 civil servants that the Minister responsible for the Task Force indicated have been let go since the new government came to office.

**MR. SPEAKER:** Order please. Order please. May I suggest to the Honourable Member for Brandon East that a question of that size might properly be better served by an Order for Return. The Honourable Member for Brandon East.

**MR. EVANS:** Thank you, Mr. Speaker. I'll take your advice. I'd like to ask a question of the Minister of Urban Affairs. Is the Minister of Urban Affairs in a position to indicate what the government's position is with regard to handicap transportation in the City of Brandon? I believe he was going to give us an announcement on this.

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, that matter is still before Management Committee and as soon as it deals with my recommendation, I will advise the member.

**MR. SPEAKER:** The Honourable Member for Gladstone.

**MR. JAMES R. FERGUSON:** Yes, Mr. Speaker. Before Orders of the Day I would like to have a substitute on Public Utilities, substitute the name of Mr. McGill for that of Mr. Ransom, Public Utilities.

#### ORDERS OF THE DAY

**MR. SPEAKER:** The Honourable Government House Leader.

**MR. JORGENSEN:** Mr. Speaker, will you call Second Readings of Bills 38 and 39 standing in the name of the Honourable, the Attorney-General.

#### GOVERNMENT BILLS — SECOND READINGS

**MR. MERCIER** presented Bill 8 No. 38, The Marital Property Act, and Bill No. 39, The Family Maintenance Act, for second reading.

**MOTION presented.**

#### BILL NO. 38 — THE MARITAL PROPERTY ACT

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, firstly I would like to thank all those members of the public who have responded to our call for submissions to the Family Law Review Committee and then who

upon receiving a copy of that report made further submissions to me to assist in the development of this legislation. Mr. Speaker, I indicated at the last session of the Legislature that it was the intention of our government in suspending the previous Family Law legislation to simplify the legislation, to make it workable and understandable, to make it equitable, while at the same time preserving the basic presumption that assets acquired during marriage should be shared equally between spouses. Our purpose, Mr. Speaker, also was not to interfere unduly in the lives of private citizens nor to introduce a law which would be impractical and unduly fetter ordinary and commercial relationships. Mr. Speaker, I believe that in the vast majority of marital relationships there is already a trust and a bond between spouses that transcends whatever Family Law legislation we may introduce but for that small percentage of marriages where trust is lacking and that bond is being breached, we want to ensure that each spouse is treated fairly.

A number of principles are dealt with in this bill, Mr. Speaker, I will deal only with the major principles and leave the details of the legislation to be reviewed in the Law Amendments Committee. The first principle that was dealt with was the question of opting out. The Manitoba Law Reform Commission and the Family Law Review Committee had recommended that either spouse be given the opportunity to elect within six months of the legislation being passed not to be included in the application of the Act. Mr. Speaker, we have rejected that recommendation. Spouses will, of course, be free to make whatever arrangements or agreements they wish to make between themselves.

There is, Mr. Speaker, in Section 12, the presumption of equal sharing of all assets, both family and commercial. It states the spouses each have the right to have their assets divided equally between them and that is the basic presumption which is the underlying basis of this legislation. Under Section 13 (1), there is however, a limited discretion, a restricted discretion to vary the equal division of family assets. This is essentially the same as the discretion that was contained in Section 37(1) of the previous legislation, so that there will, Mr. Speaker, be equal sharing of family assets except in very extraordinary circumstances. I would point out, Mr. Speaker, that it is probably correct that most people's assets are composed only of family assets as defined in this legislation.

I think it should be noticed in addition, Mr. Speaker, that the definition of family asset in Section 1(d) has a wider meaning than in the previous Act. It now includes for example, money in a bank account or other account which is ordinarily used for family purposes.

I would also note, Mr. Speaker, that Section 20 has been retained which is essentially the same provision as in previous legislation, but important to protect primarily the spouses who have custody of the children so that where there is hardship, hardship will develop in the immediate compliance of an Order for sharing, payment can be postponed or made by installments.

Mr. Speaker, with respect to the sharing of commercial assets there is a wider discretion contained in Section 13(2) than in Section 13 (1) for the sharing of family assets. The presumption of equal sharing, Mr. Speaker, I would point out will only be varied however where it is deemed equitable by the court. Mr. Speaker, I think there are undoubtedly a number of cases, in many cases, where a female spouse will be entitled to greater than 50 percent division of commercial assets depending upon her involvement etc. in the initiation and operation of a business and I would therefore submit, Mr. Speaker, that this provision will go further to protect women's rights than previous legislation which only allowed extremely limited discretion and thus bound a female spouse to only 50 percent. I suggest that this legislation will go further to protect their rights and their efforts in the establishment of commercial assets.

Mr. Speaker, I note that in the Province of Ontario, which has introduced legislation, they only deal with family assets. There is a very limited involvement in commercial assets where they might be used to make up for the dissipation of family assets. There is no presumption whatsoever of equal sharing in commercial assets in Ontario. In Manitoba or Alberta, there is a wide and broad judicial discretion in the sharing of both family and commercial assets.

Mr. Speaker, there will be some claims from some people that the wider discretion given to the court for the sharing of commercial assets will put the law in the same position as it was before the 1977 Act. Mr. Speaker, I suggest that this is definitely not the case. There is a presumption, Mr. Speaker, of equal sharing which was not the law prior to the previous legislation. Mr. Speaker, many people have referred even over the weekend to the Murdoch case and I quote just to point out, Mr. Speaker, that the law was quite different when the Murdoch case was considered than the law under which it would be considered under this legislation. In that particular case the properties were held in the name of the husband and in none of the purchases did the wife make any direct financial contribution, and it was held — and I quote from the head-note, Mr. Speaker — “Since

the wife had made no direct financial contribution to the acquisition of the property claimed by her, there was no basis for finding the resulting trust in her favour. Moreover, the fact that the wife had performed various services in connection with the husband's ranching activities did not give her any beneficial interest in the property claimed."

Mr. Speaker, there are some who would suggest that under the legislation which we have proposed in the discretion to vary commercial assets, that this puts the law back as it was under the Murdoch case. I suggest, Mr. Speaker, that that is definitely not the case, that under this legislation there is a presumption of equal sharing which can only be varied, Mr. Speaker, when a judge deems it inequitable or unjust.

Mr. Speaker, in this legislation another principle which is the basis of the legislation is that all sharing will be deferred. There still are and the Family Law Review Committee has pointed out, Mr. Speaker, tax implications, tax implications which have also been pointed out and acknowledged by the Alberta Government which have referred it in the passing of their legislation. There are creditors' rights which must be considered, Mr. Speaker, the security that is to be required by banks, credit unions, etc. This concern was expressed quite succinctly in the Family Law Review Committee's report.

There is also the question, Mr. Speaker, of whether governments should interfere in the lives of married persons living together, whether or not they are responsible enough to make their own decisions for themselves, at that time.

Mr. Speaker, there is no other province in Canada which has brought in immediate sharing. The legislation in Ontario and in Alberta all involves deferred sharing and, to my knowledge — I stand to be corrected but to my knowledge — all other legislation under consideration in any other province in Canada have utilized the concept of deferred sharing.

However, Mr. Speaker, the legislation still retains sections of the Act dealing with dissipation of assets and excessive gifts which go some way to protecting the assets. In addition, Mr. Speaker, Sections 6(2) and 6(3) are statements of the spouses' rights with respect to the equal right to the use and enjoyment of the marital home and family assets, and these should go some way to protect the spouses' rights to the use of those assets during marriage.

In addition, Mr. Speaker, the Dower Act does protect any non-title-owning spouse so that a spouse cannot sell or mortgage, or encumber any asset without the consent of the other spouse.

Mr. Speaker, it is at the time of marital breakdown that a spouses' property rights need protection. This is where the common law in the past, Mr. Speaker, is deficient and this is where the system of deferred sharing meets that need and covers the deficiency in law.

Mr. Speaker, I believe that the new legislation has been much improved in its drafting. No doubt, however, because of the complexity of the issues, there will be submissions made at Law Amendments Committee, which may justify further amendments and we look forward to receiving the submissions of any interested party.

I believe it will be more easily understood, that it is clearer. The size alone, of the bill, Mr. Speaker, has been reduced from 24 pages to 11. The principle of equal sharing between marriage partners is clearly maintained and protected in this legislation. This legislation goes further, I believe, to protect the rights of spouses to an equal sharing of assets much more so than any other province. It provides Manitoba, I think, Mr. Speaker, with just and equitable legislation that will be widely acceptable to a majority of the people of Manitoba.

Mr. Speaker, I look forward to hearing the comments of members opposite and to receiving further submissions at the Law Amendments Committee when this matter is considered there.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, I have a question to the Honourable the Minister, who indicates that the Murdoch case is distinguishable from the discretionary provisions that he has put under this Act, and specifically referred to that. Can I ask the Minister why he would have a judge look at the circumstances relating to the manner in which the property was acquired if he is going to say that that is irrelevant, which was the main feature of the Murdoch case? If the honourable member wishes the section, it's 13(2)(j), which says that one of the circumstances would be the relating to the acquisition, preservation, maintenance, etc. In the Murdoch case, he read to us, it was decided mainly because the husband had acquired all of these assets; the wife didn't contribute to their acquisition.

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, let's take a hypothetical example in answering that question.

a man and woman marry together and start an insurance agency, and shortly after starting that insurance agency the man obtains a salaried job elsewhere, while the female spouse works alone to build and improve on, and expand the insurance agency. —(Interjection)— No, the husband is employed on salary at another job and it's the efforts. So, there is a change, Mr. Speaker, in the improvement and the use of that particular asset.

On marriage breakdown, Mr. Speaker, I would suggest that it would be unjust to require the female spouse, who would by that time become the sole operator of that insurance agency, to share it equally with her husband, who could then also return to his fulltime salaried position.

**MR. GREEN:** Mr. Speaker, I want to be certain of what my honourable friend is saying, because it's very key to the entire philosophy of the bill and he has used a woman as making the agency and the husband working outside, to pursue his example. I don't want to use wife or husband. I want to ask the Minister whether it is the philosophy of the bill that both parties to the marriage, no matter what they are directly working on, are each contributing to the assets which are accumulated by both of them while they are both working at separate functions, whether it is insurance, bringing up children, keeping a house or doing any other thing?

Is the honourable member saying that these are separate functions and will not be looked at as a partnership of the two parties working to acquire and expand on their assets?

**MR. MERCIER:** Mr. Speaker, the philosophy of the government in this bill is that there is a presumption of equal sharing with respect to the commercial assets which the honourable member is referring to, that there will be a discretion to vary that whenever the circumstances deem it inequitable or unjust that they should be split 50-50.

The honourable member opposite knows that the circumstances will vary from case to case and will have to be . . . There is no question, Mr. Speaker, that because of the legislation in Ontario and in Alberta that there will grow a body of case law in a very short time, and there will no doubt have to be some precedents established but, Mr. Speaker, the philosophy is that there is a presumption of equal sharing unless a judge deems it inequitable or unjust to provide for that rigid 50-50 sharing.<sup>3</sup>

**MR. GREEN:** Mr. Speaker, I have one more question and I promise to limit it to one.

I accept the presumption. What bothers me now is my learned friend's example and because he has given an example, I want to give him another example.

**MR. SPEAKER:** Order please, order please. May I suggest to the honourable member that if he is throwing up another example he may be entering the debate rather than asking a question.

**MR. GREEN:** Mr. Speaker, I intend to ask a question. The Member for Lakeside knows that the last thing I would do is give up my opportunity to speak.

If the man had the insurance agency that my learned friend was talking about, and was building it, and the woman was contributing to the marriage by bringing up the children and working in the home, would the Honourable Minister say that it would be unfair for the woman to share 50-50 in the building up of that insurance agency, which is what he appeared to say in the answer to his first question?

**MR. MERCIER:** Mr. Speaker, the honourable member has twisted the facts. Under those facts, I would suggest that the female spouse is entitled to 50 percent of the insurance agency.

The difference, Mr. Speaker, between that example and the other example was that the husband had a full time occupation. —(Interjection)— Mr. Speaker, the honourable member wants to ask another question.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. HOWARD PAWLEY:** Mr. Speaker, I move, seconded by the Honourable Member for Seven Oaks that debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 39 — THE FAMILY MAINTENANCE ACT**

**MR. SPEAKER:** The Honourable Attorney-General on Bill No. 39.

**MR. MERCIER** presented Bill No. 39, The Family Maintenance Act, for second reading.

**MOTION presented.**

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Again, Mr. Speaker, there are only two main principles I wish to deal with in introducing this Act for second reading. Mr. Speaker, the question of conduct is obviously one that has to be considered very seriously in view of the opinion of the Family Law Review Committee that unrestricted, no-fault maintenance flies in the face of what ordinary people perceive as justice, fairness and common sense. They pointed out that the breakdown of marriage is, in many cases, due to the irresponsibility or serious misconduct of one of the spouses. Mr. Speaker, we are not prepared to go as far as was recommended by the Family Law Review Committee. We were concerned that should fault be required to be proved in all cases, it would be placing spouses in a difficult position and one in which we did not wish to follow. However, Mr. Speaker, there are cases where every reasonable person would be offended by the conduct of one or other of the spouses. In those cases, where the conduct of the dependent spouse is so unconscionable as to constitute an obvious and gross repudiation of the marriage relationship, the court may consider that course of conduct in determining the amount of support and maintenance required to be paid. This is the practice in England; we've used the same wording as the Ontario Family Law Reform Act, 1978. There is English jurisprudence for the Manitoba courts to consider in determining whether a course of conduct is so unconscionable as to constitute an obvious and gross repudiation of the marriage relationship.

Mr. Speaker, I want to deal at some length with this concept of conduct because I believe it is one of the essential changes in the legislation and one on which we may find agreement with the members opposite if it is fully explained. Mr. Speaker, the Law Reform Commissions of Manitoba, Ontario and Canada all stated that financial need should serve as the primary basis for an Order of Maintenance but that financial need should be the only criteria upon which to base an Order for Maintenance was critically questioned by the Law Reform Commissions of Manitoba and Ontario, as well as the report of the Family Law Review Committee and a number of private submissions. They felt that no-fault maintenance which is what maintenance based upon need alone amounts to, would offend many people's sense of justice. The underlying assumption for such a view is that an Order for Maintenance ought to be decided within the bounds of justice, equity and fairness. The Manitoba Law Reform Commission on Page 21 of its report on Family Law stated: "To try to assess the amount of maintenance on the basis of fault is likely to be unjust to either partner or both partners." The government agrees wholeheartedly with that statement. To assess the amount of maintenance on the basis of fault is neither just, fair, equitable nor reasonable.

However, in the next paragraph, the Commission stated: "It seems equally unjust that a person who has failed to live up to the commitments expected of marriage should escape scott-free, should not be required to compensate in any way for injuries inflicted during the years of marriage, the flitting away of money, the physical abuse, the infidelity, the humiliation and the failure to share family responsibilities." The Commission recommended that in a determination of the amount and period of maintenance fault should be one of the factors to be considered. No greater emphasis should be placed upon fault than upon the other factors.

The Commission was split over the issue of what role conduct should play in the determination of an Order for Maintenance. The majority recommended, Mr. Speaker, that a judge in his determination of whether and in what amount to order maintenance ought to consider all the circumstances of the case including the relative responsibility of both spouses for the separation or marital breakdown or for the refusal or neglect to provide support. I would note, Mr. Speaker, that conduct is a factor that is taken into account in both the determination of whether or not to award maintenance and of quantum. It seems that conduct is not defined by the Commission so that one assumes that it would have referred to the normal interpretation given to conduct under The Divorce Act or the Wives' and Children's Maintenance Act. The recommendation used the term "relative responsibility of both spouses." This indicated that the conduct of both spouses would be looked at and compared and if one spouse's behaviour was worse than the other, conduct would be taken into account in the determination of whether or not to order maintenance and of quantum.

The minority among whom, Mr. Speaker, was Mr. Muldoon, now the chairman of the Law Reform Commission of Canada, opted for conduct of a different kind that would play a greater role in the

determination of whether or not to award maintenance. They stated: "No-fault maintenance would be a positively anti-social law. Such a law would be downgrading, unjust and would invite evasion." They stated that no-fault maintenance would be a foul example to children of a marriage. A person would be able to make no contribution to the marriage, share none of its responsibilities but not have to worry about maintenance because it would be paid notwithstanding any such behaviour. Surely, Mr. Speaker, a child who is witness to that kind of behaviour will be influenced by it in a manner that would decrease in the mind of the child the individual and collective responsibilities involved in marriage.

Because of these factors, they felt that conduct had to play a fairly prominent role in the decision of whether or not to grant an Order for Maintenance. The conduct that the minority envisioned was not a type of behaviour that one normally associates with fault but in the context of a marriage relationship and its subsequent breakdown. Rather, conduct was to involve the idea of paramount responsibility. Paramount responsibility imports the idea of a very great demonstrable fault to the breakdown of a marriage. The minority realized that in most cases that involved marital breakdown, both sides are at fault to some extent or other. They accepted that fine scales could not be used to weigh fault in these matters but where there was a finding of paramount responsibility against one spouse, they felt that conduct ought to be taken into account. They made the following recommendation: "No Maintenance Order should be made against the respondent spouse under the provisions of subsection 1. unless the paramount responsibility for the separation or marital breakdown or for the refusal or neglect to provide support resides in the conduct of the respondent spouse."

The Ontario Law Reform Commission recommended that conduct of the spouse ought to figure in the making or refusing of an award of support or in determining the amount. It rejected the suggestion that judges should focus only on the relative economic needs of the spouses. A scheme of absolute liability for the support of a spouse would seem unjust. This would be particularly true in cases where the dependent spouse's conduct constituted an unprovoked repudiation to the marriage relationship. It must be noted that the conduct the Ontario Law Reform Commission considered was broader than the concept of matrimonial fault such as adultery or desertion. The Ontario Law Reform Commission agreed with their counterparts in Manitoba that conduct ought to figure in deciding whether or not to award a Maintenance Order and also in deciding the amount to be awarded.

The report of the Family Law Review Committee stated they were opposed to no-fault maintenance because it was not a good or a just principle. In our opinion, unrestricted no-fault maintenance flies in the face of what ordinary people perceive as justice, fairness and common sense. While it is undeniable that marriages often break down without specific fault on either side, or where fault is evenly balanced, it is also undeniably true that in many cases the breakdown is due to the irresponsibility or serious misconduct of one party. They stated when an indefinite burden of support is to be imposed upon one person, however, it is our view that that burden ought not to fall upon one whose conduct during the marriage has been reasonable and responsible. The committee's recommendation was not the only one that favoured conduct used as a factor in determining maintenance orders.

On March 31st of this year, Mr. Speaker, Ontario's Family Law Reform Act came in effect, and that it recognized that financial need should serve as the primary basis for an Order of Maintenance. But the Ontario Legislature also felt that there should be some provision dealt with conduct. Their Section 18 (6) is essentially the same as our Section 2 (2). The Ontario legislation does not go quite as far as what was recommended by their commission, in that conduct is only taken into account in a determination of quantum, but not in a determination of whether or not an order ought to be made. The basis for this seems to be the acceptance of the notion that maintenance ought to be based upon financial need, but in certain cases an individual's conduct has to be taken into account in order to avoid injustice and unfairness.

Mr. Speaker, the conclusions would therefore appear to be that an Order for Maintenance should be based primarily upon financial need, but that conduct ought to play some role in the determination of whether and in what amount an Order for Maintenance ought to be granted. The question arises, Mr. Speaker, as to why include conduct as a factor in determining a Maintenance Order. Mr. Speaker, I think the response is unanimous; to exclude conduct in determining an Order for Maintenance would simply be unjust. That an individual ought to be held responsible for his and her own actions is an accepted concept, and the concept of individual responsibility is a fundamental part of the

Law of Tort, criminal law as well as other areas of the common law, including other aspects of family law. The idea of no-fault maintenance, however, removes an element of individual responsibility from the law that relates to the behaviour between spouses; that individual responsibility and behaviour between spouses be accepted by both spouses without thought to what the law is, is desirable. The ordinary person perceives individual responsibility as an established and valued social concept whose worth surely would not be diminished if it were legally recognized in legislation. There is no reason, then, Mr. Speaker, to exclude this valued and established social concept of individual responsibility from the law that relates to the behaviour between spouses.

To the concept of individual responsibility, Mr. Speaker, one must add the role of the family unit within the fabric of our modern-day society. That the family unit is important is a statement that few, if any, would challenge. Today, the cohesiveness of the family unit is subjected to numerous social pressures, and one of the first offences against these pressures is the attitude of the spouses. A recognition of, and an attempt to deal with these responsibilities involved in marriage will no doubt help to alleviate these pressures that threaten the family.

Does the concept of no-fault maintenance affect the position of the family vis-a-vis present social pressures? The minority of the Manitoba Law Reform Commission felt that there could be adverse effects. The effect of no-fault maintenance was to say that it did not matter what behaviour the spouses engaged in during marriage, nor did it matter how they attended the familial duties, because in the event of breakdown they would not have to worry about maintenance payments. Surely this sort of attitude towards individual responsibility and familial duties demeans the status of the institution of marriage, and also serves to undermine the basic unit of society, the family.

As was mentioned earlier, Mr. Speaker, there is no diminution of the social value of the concept of individual responsibility if it is legally recognized in legislation. There is no reason why this legal recognition should not extend to individual responsibility as it relates to familial duties. We feel, Mr. Speaker, that in order to make the law which relates to maintenance and support obligations acceptable to the ordinary person, and his or her sense of justice, conduct must play some role in the process by which maintenance is determined. The recommendations of the Law Reform Commissions of Manitoba and Ontario and the report of the Family Law Review Committee suggest that conduct should be a factor in the determination of whether and in what amount to order maintenance. We feel, Mr. Speaker, that maintenance ought to be based primarily upon financial need, and in order to reconcile a seemingly conflicting views we, in Section 2 (2) have modified the recommendations of the respective Law Commission reports. Conduct will not be a factor in the determination of whether or not to grant an Order for Maintenance; it may — I emphasize "may," Mr. Speaker — be taken into account in a determination of quantum. This approach, it is felt, accommodates the views that on the one hand, that an Order for Maintenance ought to reflect a realistic appraisal of the financial need of the claimant spouse without regard to conduct, because conduct has nothing to do with financial need, and on the other hand, a determination of whether, and in what amount, to order maintenance ought to be acceptable to an ordinary person's sense of justice, fairness and equity. The approach is the same as that taken in Ontario, Mr. Speaker, and the wording is virtually identical.

The actual wording of, and the conduct which is set out in Section 2 (2), would indicate, Mr. Speaker, that the conduct is not a ground or a basis for a support order. Mr. Speaker, because in Section 5 (1) where it states, "Court shall consider all the circumstances of the spouses, including the following, etc.," there have been some suggestions as to whether or not that goes beyond the question of conduct as defined in Section 2 (2), and I suggest that a judge may consider conduct if, and only if, it is within the ambit of the conduct contemplated in Subsection 2 (2) and it is only a factor in the determination of quantum.

Mr. Speaker, the wording has been suggested by cases decided in England under The Matrimonial Proceedings and Property Act of 1970 and their Matrimonial Causes Act of 1973, and in deciding cases in England under this legislation they have used expressions which describe the kind of behaviour contemplated in our Family Maintenance Act and in the Ontario legislation. The leading English case in which conduct of the nature envisaged by this section is *Wachtel vs. Wachtel*, a 1973 Family Court case, and in his judgment, Lord Denning . . . Mr. Speaker, the Member for Selkirk is asking for the citation; I'll provide him with a list of the cases afterwards, if that's acceptable. In the judgment in this case, Mr. Speaker, Lord Denning, Master of the Roll, stated that in most cases both parties have contributed to the breakup of the marriage. Because the wife has so contributed, that alone should not be sufficient to reduce what she ought to receive as maintenance. There are a residue of cases where one of the spouse's conduct is so gross and obvious that to

order the other spouse to support such a spouse would be repugnant to anyone's sense of justice. Here the court could bar or reduce the amount of support. Court should not decrease or bar an order where the conduct of one spouse is such that formerly it would have been regarded as guilt or blame.

Although there are differences in Canadian and English divorce law, there are enough similarities so that the statement of Lord Denning would be applicable to the Canadian context in Ontario and Manitoba. The type of conduct he considers, then, is not necessarily that which is normally associated with marital guilt. It is the type of conduct that is more extreme, and a review of the cases, Mr. Speaker, I suggest, will reveal that this is so. Lord Denning defined unconscionable in that case as conduct that would be repugnant to anyone's sense of justice, and in another case, *W. vs. W.*, reference was made to this gross and obvious conduct, and the following comment was made: "The kind that would cause the ordinary mortal to throw up his or her hands and say, 'Surely that man or woman is not going to be given any money, or is not going to get the full amount.'" In another case, *Dixon vs. Dixon*, gross and obvious conduct was categorized as conduct that could properly be stigmatized as shocking to any ordinary man or woman. And in another case, *Jones vs. Jones*, the court said that it would be offensive to anyone's sense of justice that the husband's behaviour should not be taken into account. In that case, the husband had attacked and wounded his wife with a knife. It was obvious from these comments that the type of conduct considered by the judges, and the type of conduct contemplated by this section, is quite apart from the ordinary case. In another case, *Kuzner vs. Underdown*, the Lord Justice of Appeals stated that the approach taken by Lord Denning in *Wachtel vs. Wachtel* would govern 99 percent of the divorce cases where fault can be attached to both sides.

Mr. Speaker, as I have indicated, I will provide members opposite with a list of the cases which are referred to, and the summaries that I have available to me, but when you analyze these cases, Mr. Speaker, as a group, it is obvious that the conduct referred to is neither fault as it has been ordinarily defined in matrimonial cases, nor will it occur frequently, but when such conduct does occur, a judge may, with regard to an ordinary person's sense of justice, take the conduct into account in a determination of an order for support.

Mr. Speaker, these cases go on at great length, and there are a substantial number of them that I have available, and I think, rather than take any further time in explanation of those concepts, I will supply that information to members opposite for their own private perusal, further to any consideration of the legislation.

There is one other section, Mr. Speaker, that I will comment on, and that is a new provision in the legislation, Section 8 (3) and 8 (4), dealing with reconciliation, giving the court the power to adjourn proceedings and direct the spouses to a counsellor or other person for the purpose of reconciliation. I think, Mr. Speaker, I have already indicated that marriage is a very important social institution. It serves as the basic unit of our society. Legal recognition of the value of marriage would not decrease its effectiveness nor its position within society. Mr. Speaker, one must recognize that recent divorce figures indicate the number of divorces are increasing every year and marriage no longer appears to be the stable relationship that it once was. The effects of divorce, the psychological, the social, and the economic damage, to name but a few that are inflicted upon the spouses and the children of the marriage, are devastating. Any action that will decrease the incidence of divorce must be in the public interest. The importance of marriage as a social institution, coupled with the pain and suffering that may affect those who are involved in a divorce action, provide good justification for a legal basis in support of the continuance of marriage. We have included, Mr. Speaker, the authority, therefore, giving judges the duty of inquiring into the possibility of reconciliation, because it is more likely . . . Although the wording is similar to that in the Divorce Act, experience in divorce courts indicates that parties generally are too far along the road to formal marriage breakup to become involved in reconciliation at that stage, but perhaps at the stage of separation proceedings, there may be the possibility of saving some marriages with the judicious use of marriage counselling.

Mr. Speaker, I have given to members opposite a schedule with explanatory notes which outlines the changes in the previous legislation. There were a number of minor amendments that we made, changing the word "judge" to "court," etc., throughout the bill, which was the basis for which we decided it would be better to print a full bill. I believe, Mr. Speaker, there are relatively few other changes in principle. In respect to Section 6 we have repealed or deleted the previous Subsections (2), (3) and (4) and included the right to an order for financial information under the section dealing with orders.

Mr. Speaker, I believe the real principle involved in change in principle in this particular piece of legislation is the introduction of conduct as it may relate to the quantum of maintenance. I look forward to hearing the remarks of members opposite.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, again I would like to ask the honourable member a question so that we are sure what we are debating.

The Honourable Minister indicates that the feature of conduct affects only amount. As the bill now stands, in his legal opinion, would the judge be able to order maintenance in the sum of one dollar?

**MR. SPEAKER:** May I suggest to the honourable member that it is highly improper to ask a legal opinion of one member to another.

**MR. GREEN:** Mr. Speaker, it's a question not as to what the law is but whether the Minister, in introducing a bill, believes that a judge would be able to order, as the bill now stands, the sum of one dollar.

Now, Mr. Speaker, I am merely asking the Minister whether that could be a result of the bill as it now stands, as he sees it in presenting it as a Minister.

**MR. SPEAKER:** May I suggest to the honourable member that the arguments he is putting forward are more proper subjects for debate, rather than questions of the Minister at this particular time? And I suggest that he be very careful in this or he may very well lose his right to debate.

**MR. GREEN:** Mr. Speaker, I presume that I would not lose my right to debate if I rise to ask a question. I presume that the question could be ruled out of order, but I will not be considered to have been given the floor on second reading.

Mr. Speaker, the reason that I am asking the question is to seek clarification.

**MR. SPEAKER:** Very good.

**MR. GREEN:** Because there are members in the House who are going to be debating this bill, and if the Minister intends that it would have one effect that the debate would take one direction — if the Minister intends that it would have another effect, then that would be a feature of the debate. That's one of the main reasons that is given for asking questions.

I'll not refer to the bill. The Minister said in his remarks that conduct would only be relative to amount. In his view, could conduct result in the amount awarded by a judge being reduced to one dollar?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, the question of financial need is a question that has to be determined. There is a principle involved in the legislation of one spouse having the obligation to become financially independent as quickly as possible. The Section 2(2) which deals with determining the amount and support must be taken into consideration and interpreted in the light of those other two principles, too — the question of financial need and the question of self-support. And it's very difficult, Mr. Speaker, to answer a question like that without some further details or background, or merits of a particular case being discussed. I would think that it's something that we could get into in more detail in Law Amendments Committee.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. PAWLEY:** Mr. Speaker, a question to the Attorney-General. Would the Attorney-General concur that the legislation of 1977 passed by this House did not provide for unrestricted no-fault maintenance post-separation — post the separation itself?

**MR. SPEAKER:** Order please. I must warn the member I cannot accept that as a question because it is an argumentative question and is not in any way seeking information. The Honourable Member for Selkirk.

**MR. PAWLEY:** Mr. Speaker, with all due respect, I don't believe the Attorney-General would have interpreted it as argumentative. I think it's a factual question to the Attorney-General. If he cares

not to answer it . . .

**MR. SPEAKER:** Order please. May I suggest to the Honourable Member for Selkirk that questions of concurrence are not questions seeking information on statements that the Minister has said, and are matters which are proper subjects for debate. If the honourable member wants to enter the debate at this time, he is perfectly entitled to do so.

**MR. PAWLEY:** Mr. Speaker, I would ask the Attorney-General a further question. In connection with enforcement procedures and in view of the lengthy debate which took place in June of 1977 in connection with the enforcement section, could the Attorney-General, since he didn't deal with the sections dealing with enforcement procedures, outline to us whether or not there are any additional or new enforcement procedures outlined in this legislation that were not outlined in the legislation of last June of 1977?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, that's a question that is going to be raised in debate on second reading of this particular piece of legislation. I will deal with that when I sum up at the end, concluding debate.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. PAWLEY:** Mr. Speaker, I move, seconded by the Member for Seven Oaks, that debate be adjourned.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable Government House Leader.

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

**MOTION presented and carried** and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Health and Social Development and the Honourable Member for Crescentwood in the Chair for the Department of the Executive Council.

### CONCURRENT COMMITTEES OF SUPPLY

. . . Some missing — Committee of ~~SUPPLY~~ ~~EXECUTIVE COUNCIL~~

**MR. HANUSCHAK:** . . . a few months ago, and he had a report confirmed with Oldfield, Kirby and Gardner, as — now, I'm not sure, and I would hope that the Minister would indicate their particular role and function, whether they're merely rental collection agents, or whether their function responsibility extends beyond that. In other words, my question is, could the Minister indicate the role and function of Oldfield, Kirby and Gardner, the extent of their responsibility in terms of what categories of housing do Oldfield, Kirby and Gardner manage or come under their Control? Because I still don't know what their exact function is, the manner in which the fee is calculated that is paid them, and also the terms of the contract; is it a one-year contract, three, four years? Is there a minimum retainer fee, or is it a straight percentage of the rent that is collected? Or, in other words, in what manner is Oldfield, Kirby and Gardner paid?

**MR. CHAIRMAN, Mr. Warren Steen:** The Honourable Minister.

**MR. JOHNSTON:** Mr. Chairman, Oldfield, Kirby and Gardner, as I explained the other night, are managing two projects of ours; South Drive and Pembina. They are new units, and it was decided that Oldfield, Kirby and Gardner, as an experiment, would become the management of these two particular projects. They will be responsible for the management of the building; all applications that go to them will be forwarded by the Central Registry. They, in turn, will do some investigation as to whether the people qualify, according to the rules and regulations of the Manitoba Housing and Renewal Corporation's sliding scale. They will not be in a position to just turf anybody out, so to speak, out of any of the projects, unless it is approved by the people involved with our Housing

Management Department. This is an experiment that we are trying on these two only; we have not made any plans to try any more; we have had requests from other people, and as far as Oldfield, Kirby and Gardner are concerned, they were used because they came to us with a proposal, and if there are any future ones, they will have to be tendered out on whatever basis they tender for management contracts. Their contract is for one year, five percent of expenses, full management, tenanted from Manitoba Regional Housing at Winnipeg Regional Housing Authority waiting list.

**MR. CHAIRMAN:** The Member for Burrows.

**MR. HANUSCHAK:** Yes, I have one or two supplementaries for clarification, Mr. Chairman. I am not quite clear in my own mind as to the division of responsibility as between MHRC and Oldfield, Kirby and Gardner because when the Honourable Minister commenced answering my question, I was of the impression that pretty well the entire responsibility for the management of these two projects — that is extending from the processing of applications for occupancy to dealing with whatever matters may arise in the course of occupancy of those projects — are under the control of Oldfield, Kirby and Gardner. Then later in his comments the Minister did make some comment that led me to believe that there is still some involvement of either the Minister or MHRC.

So, I'm not quite clear as to whether, you know, it's entirely the responsibility of MHRC. In other words, if there's some complaint, if someone has a complaint, that the Minister say, "Look the management of these two projects have been turned over to Oldfield, Kirby and Gardner, if you have a complaint go to them," or is there some opportunity for involvement and some opportunity for recourse through MHRC or the Minister ?

**MR. JOHNSTON:** Well to answer your last question, yes there is, as I said the MHRC are not giving Oldfield, Kirby and Gardner the complete right to tell people to go or to be turfed out as I said before. They have the right to come to MHRC to present their case, MHRC is the owner. They process applications which are forwarded to them from the Central Registry of Winnipeg Regional Housing Authority. They take a look at the applications, they interview people and if the people qualify under the terms of the rules and regulations laid down by Manitoba Housing and Renewal Corporation the people can move into the building. They don't make the rules, MHRC makes the rules, they follow them and they are hired to manage the building and see that our rules are followed. The management of the building is of the maintenance and as I said they have 5 percent expenses.

**MR. HANUSCHAK:** On the basis of the Minister's experience to date with Oldfield, Kirby and Gardner, does he envisage a further expansion in the direction of turning over MHRC property management to independent property management firms or . . .

**MR. JOHNSTON:** On the basis of experience to date, it's only been two months or a little better on the one building and the other building is just opening up for the first part of July, I don't think we could make any assessment as yet.

**MR. HANUSCHAK:** I agree.

**MR. CHAIRMAN:** The Member for Transcona.

**MR. PARASIUK:** Yes, just to follow up with a few questions regarding Oldfield, Kirby and Gardner and I appreciate that the Minister did provide a great deal of explanation on Friday on this matter. I just want to clarify in my mind, who exactly does Oldfield, Kirby and Gardner report to, MHRC or to the Winnipeg Regional Housing Authority?

**MR. JOHNSTON:** To MHRC.

**MR. PARASIUK:** Would it then be reported to the Director of Property Management in so doing?

**MR. JOHNSTON:** That is correct.

**MR. PARASIUK:** Who does the Winnipeg Regional Housing Authority report to, does it report to anyone?

**MR. JOHNSTON:** They report to the MHRC board, but they also report to the Property

Mr. Fallis.

**MR. PARASIUK:** So, then Oldfield, Kirby and Gardner is then performing a service or a function which is similar to that performed by the Winnipeg Regional Housing Authority, that is they are managing two projects and I guess the Winnipeg Regional Housing Authority would be managing, I don't know how many projects, but quite a number.

**MR. JOHNSTON:** That's correct. They would be on the same function except that all the applications, they don't go out and solicit applications, the applications that they process come from the Winnipeg Housing Authority's Central Registry.

**MR. PARASIUK:** Okay. Has Oldfield, Kirby and Gardner provided for any type of tenant representation on the project management. I believe that the Winnipeg Regional Housing Authority does have tenant representatives on its board, if that's what the management of the Winnipeg Regional Housing Authority is, and that I know that local housing authorities in rural parts of Manitoba do have tenant representation on them and I'm wondering whether in fact that mode of operation has been changed as a result of Oldfield, Kirby and Gardner undertaking these two project management contracts.

**MR. JOHNSTON:** Well, the people living in our units that Oldfield, Kirby and Gardner manage have every right the same as anybody else to be elected to the Winnipeg Housing Authority board, the Greater Winnipeg Housing Authority board. As I've mentioned, there are three representatives from the tenants, there are three from the City of Winnipeg and three appointed by the Minister. Now the people living in those units would certainly have every right to be on the board or be elected to be one of the tenant representation on the board. There will be a local Tenant Association in each building if there is an interest to do so. There has been that. There is an interest to initiate one.

**MR. PARASIUK:** Mr. Chairman, I would like to point out to the Minister that I think that there is a difference between being elected or appointed to the board of the Winnipeg Regional Housing Authority if the Winnipeg Regional Housing Authority is, in fact, in control of those units in which you are living. However, if you are in one of the two units or complexes that Oldfield, Kirby and Gardner is managing, I don't know if there is any great tenant representation if you are elected to the board of the Winnipeg Regional Housing Authority and that the Winnipeg Regional Housing Authority doesn't have any control over the Oldfield, Kirby and Gardner. Oldfield, Kirby and Gardner is reporting directly to MHRC so, therefore, the principle of tenant representation in project management, I think, is being made inoperative in this particular instance with these two experiments. I would hope that the Minister would take that into account when he is reviewing the way in which Oldfield, Kirby and Gardner is managing these two projects because I think that, unless I've heard something to the contrary, I think that the present government still is in favour of the general principle of tenant representation on the Winnipeg Regional Housing Authority or on the local housing authorities which exist in other parts of Manitoba. Is that correct?

**MR. JOHNSTON:** Well, I know what the member is getting at, I think. He is saying that the maintenance in the buildings that are the Winnipeg Housing Authority, they take and are responsible for the maintenance in the buildings and they're not, in other words, responsible for the management and maintenance of the two buildings we've mentioned as far as Oldfield, Kirby and Gardner is concerned. It's worth looking at; I'll take that undertaking. But both people, the Winnipeg Housing Authority report to our management people and as far as tenant representation is concerned, I will look at that one.

**MR. PARASIUK:** Right. So, generally though, with respect to the Winnipeg Regional Housing Authority and with respect to the local housing authorities throughout Manitoba, the Minister, as far as they're operating right now, still concurs with the principle of tenant representation on those housing authorities. That's not been changed; that principle is still in effect and still operating.

**MR. JOHNSTON:** That's still in effect and still operating.

**MR. PARASIUK:** And I will look forward to, some time later this year or next year in the Estimates, to find out how this is worked out and whether in fact some difficulties have or haven't arisen with respect to the whole question of tenant occupancy in this particular area with these two experimental projects.

**Monday, May 29, 1978**

I also would just note that I understand that the Minister on Friday indicated to the Member for Fort Rouge that the corporation would be looking into other possibilities, or took notice they would look into the possibility of tenants possibly managing their own project. I believe the Member for Fort Rouge put that forward as a suggestion and the Minister indicated that during the course of the year, you would be looking at that.

With those questions answered, I'll leave the whole area of Oldfield, Kirby and Gardner and ve on to the press release that was distributed at the end of the committee meeting on Friday and ask the Minister what the status of Leaf Rapids Development Corporation is at this time, as of, I guess, 2:30 Friday, May 26, when the release came out?

**MR. JOHNSTON:** The projects? Is the member speaking of the projects?

**MR. PARASIUK:** No, first I'd like to ask about the corporation itself. Does it still exist or was it dissolved effective May 26, 1978?

**MR. JOHNSTON:** Technically, right now, the corporation still exists because the Minister of Finance has directed his proxies to meet to carry out the recommendation.

**MR. PARASIUK:** Right. So the corporation still exists in terms of a board of directors being in plaCe, the board still exists. Is the general manager still on staff?

**MR. JOHNSTON:** Yes.

**MR. PARASIUK:** Are the other staff still on staff or have they been let go?

**MR. JOHNSTON:** They have been given notice but they're still there.

**MR. PARASIUK:** Right. You don't know whether it's a two-week notice or a one-month notice or anything like that?

**MR. CHAIRMAN:** To the members of the committee, while the Minister is getting that information from his staff people and the hour being 4:30, it is my understanding that we will not be going into Private Members' Hour today, therefore we will carry right through until 5:30.

The Minister.

**MR. JOHNSTON:** The situation regarding the staff at the Leaf Rapids Corporation, on May 10, 1977, to all staff there was a subject: "Termination Policy in the event of Corporation dissolution on transfer of activities to other agencies. The following conditions will be observed by the corporation: (1) three months' notice will be provided if within the power of the corporation to do so. Employees will not be bound to accept transfer. When an employee is prepared to remain and does remain until satisfied termination date, severance pay of not less than three months will be paid. Severance pay will not accrue to employees accepting transfer to other agencies. Severance pay is separate and distinct from other pay and expenses due. This memo confirms what has previously been stated as policy on this subject." That's signed by Mr. Gordon, the general manager.

On February 15, 1978 a termination policy regarding the Leaf Rapids Development Corporation 1977 Limited, says, "In the event of the corporation dissolution or transfer of activities to other agencies, the following conditions will be observed by the corporation. Where termination is required and the employee remains with the corporation until the termination date or is prepared to do so, severance pay of not less than three months wages will be paid. Where an employee is offered and accepts a transfer to another agency, no severance pay will be made to that employee. An employee will not be bound to accept transfer. Severance pay will be separate payment from normal wages and expenses. This memo confirms the previous policy of the corporation." It's signed by Mr. Reiger, the General Manager. The Board examined those two statements to the staff and we have had legal opinion on it and we are bound to give the three months severance pay.

**MR. PARASIUK:** So you are legally bound to give three months severance pay, the question I'm asking is when will the staff actually be let go in terms of their termination, in two weeks or is that in a month?

**MR. JOHNSTON:** I think the letter states it is up to them, doesn't it? —(Interjection)— Pardon me, two weeks. I'm told the Manager will provide the Board with a statement of what staff he will require to take care of the traNsfer and as the staff is let go they will receive three months severance

pay.

**MR. PARASIUK:** At this particular moment given my past association with that staff, I would like to pay public tribute to them. I think that they were an excellent staff, I think you had a small staff there, I believe you have in the order of seven or eight people on staff, I think they were highly qualified, highly competent in a technical manner, very very hard working. They've proved it in working in very trying conditions, I think, in developing Leaf Rapids Townsite itself and I think they've proved their capacities over the last two or three years in doing some of the subdivision developments in and around Winnipeg. One of the problems that Leaf Rapids Development Corporation ran into was that the staff were in high demand. We have, in fact, or the corporation — I'm using a Freudian — slip when I see say "we" at this particular stage the corporation did lose some staff to some of the private land development companies and this staff that have since departed are now in fairly high positions with those private land development corporations. At the same time, those staff that stayed in some instances gave up some pretty attractive private sector opportunities because they believed fairly strongly in the type of I think, creative subdivisions and problem solving oriented subdivisions that the corporation was trying to develop. I think they are very capable and I would hope that a very strong genuine, sincere attempt would be made by the government to ensure that those capable people are indeed kept working within the government. I can't remember whether in fact it was in this or in a statement to the press that the Minister indicated that there would be an effort to in fact try to relocate some of the staff either with government departments or conceivably with the Manitoba Housing and Renewal Corporation. I would hope that the Minister would follow up on that because I do think that the public sector does require very good competent people and especially those people who possibly are willing to forgo some of the extra money that you can receive often in the private sector if you do comparable work. These people often develop a dedication to the particular public objectives of their corporation, agency or line department and are willing as a result, to take a cut in pay, I think, relative to the private sector to try and solve some problems that are facing society and in many instances can only be dealt with or approached in the first instance by the government. I would hope that those people are not lost to the public sector because I think that the government service does need more rather than fewer good quality civil servants.

With that in mind, and having stated that about the staff I must say that I am sorry that the government has seen fit to dissolve the corporation and transfer its activities and assets I believe, to the Manitoba Housing and Renewal Corporation. I do that because I think that the functions of the Manitoba Housing and Renewal Corporation and the functions of the Leaf Rapids Corporation when it came to land development were somewhat separate. I think that the Manitoba Housing and Renewal Corporation has a function of trying to provide social housing and that is a very difficult task but it isn't as market oriented as is the task of trying to provide serviced land.

There is as the Minister has acknowledged, a long waiting list of applicants for senior citizens housing, something in the order of 1,000 people. There is, I assume a waiting list as well for low-income family housing and the job of MHRC has been to try and provide this type of housing without over-building and without under-building in the best possible manner within budgetary limitations and that has been its primary area of activity and its primary area of interest, and I would think that since there are something in the order of 13,000 housing units under its control and direction, that this will be an on-going priority area of responsibility and interest for the staff and for the board of Manitoba Housing and Renewal Corporation.

Land development is another thing and the demand for land, the demand for serviced land and the circumstances surrounding cost and price of serviced land varies quickly, varies virtually on a six month basis and so I think it requires a board of directors that will be in close contact with the changing situation, and it involves the board of directors paying particular or priority attention to the whole land market as opposed to paying most of its attention to the rental market where you're trying to look at the vacancy rates of apartment units, you're looking at vacancy rates in different parts of the city, you're trying to ascertain whether in fact there is sufficient demand in St. Vital or Fort Garry or Transcona or West Kildonan to warrant senior citizens' housing or low-income family housing. I would suggest to the Minister that I think that is where the major area of concern and activity of the staff and the board will be. They will have to look at Oldfield, Kirby and Gardner's performance and determine whether in fact they are doing a good job, whether in fact they're not possibly cutting back on what I'd call maintenance in the short-term only to incur maintenance expenditures in the long-term. Those are possibilities and I think the board, or the staff, will have to look at the performance of Oldfield, Kirby and Gardner very carefully so that what

might be an apparent short-term increase in efficiency isn't outweighed by longer-term possibilities of increased costs. I would suggest to the Minister that that is going to take up a lot of time of the staff and the board of MHRC and that's why, frankly, in the past in other capacities, I had argued for separation of functions between MHRC and what I would call a Crown land development company because I felt that the boards of the respective corporations could pay far more attention to the particular major tasks in front of them.

I also note that MHRC itself is going through quite a change in policy direction, I think in part brought about by changes in federal cost-sharing, changes that I think in some respects are welcome and in fact in some respects had been pushed for by the past administration regarding more flexibility with respect to the types of subsidies, whether in fact it would be possible to subsidize some private sector apartments, whether in fact it would be possible to subsidize older apartments, whether in fact some of the moneys could be used for rehabilitation of older facilities. So that I think that the board and the staff and the Minister will be quite busy over the next year or two trying to flesh out the details with CMHC and even with the department or the Ministry of State for Urban Affairs and possibly with the Department of Health and Social Development here and possibly with the Department of National Health and Welfare in Ottawa, in trying to flesh out the particular program possibilities that are often announced with a great deal of fanfare and hope by the Federal Government and then when the province gets around to try to sort out the nitty-gritty and the details of what these fine, brave, new announcements mean, they find that expectations had been raised on the part of the population but that the province isn't in as good a position to meet these expectations as had been indicated when the Federal Government made its announcements.

I can look to other areas like the whole area of urban transportation where in the past the Federal Government, I think, had made some very grandiose announcements regarding changes in policy and then the Federal Government looked at some of the price tags involved and the province wasn't in a position to do as much as I think city people had hoped that it might be able to do because the Federal Government just wasn't forthcoming with the specific program and wasn't forthcoming with moneys.

I would suggest to the Minister that he's going to have his work cut out for him in dealing with the Federal Government in trying to flesh out the programs which haven't as yet been fleshed out and he has indicated to us his difficulty and his frustration in trying to sort out the specifics of the new federal program. I can sympathize with him in that respect because we are going through a construction season right now and if we lose that construction season, we'll be one year behind in whatever might be coming forward in the future.

So I suggest that not only does the Minister have a big plateful of problems, not only does his board and his staff have a big plateful of problems in just trying to flesh out what the Federal Government is doing, but I think he's compounding his problems a bit by not letting Leaf Rapids Corporation pursue these two developments at least and get them in place. I think that raises some questions as to what is the future of these two parcels of land which are owned by Leaf Rapids Corporation and I gather will be transferred back to Manitoba Housing and Renewal Corporation. I don't want to get too much into the area of Leaf Rapids Corporation's activities because I still think that that corporation will probably be reporting to the Standing Committee on Economic Development so I won't go into it too much. Therefore, I assume that I can ask the Minister, in his capacity as Minister responsible for Manitoba Housing and Renewal Corporation, what the future disposition of this land will be.

**MR. JOHNSTON:** Well, there's no question — I've said it in the House and I would repeat it here — the disposition of the pieces of property, they will have houses on them, we have no intention of taking MHRC land and disposing of it unless we are very sure or we have agreements that there are houses on them and that we have arrangements with whoever we are working with.

On the Leaf Rapids Corporation, at the present time, in Selkirk — now I can only tell you that the estimated costs to complete the Selkirk project is \$1,908,000.00. The estimated income if they're sold at the speculated price is \$1,650,000.00. We are looking, at the present time, of having to either raise the prices of the property or take a loss on those properties. There's 199 lots there which are to be established in Phase I. They are \$9,588 per lot or they have an average of 2,640 square feet which is \$3.63 per square foot, that is the cost of them. In the City of Winnipeg, a 44 foot lot by 100 square foot lot in Winnipeg is \$14,300 per lot and that's the market, that's not costs.

**MR. PARASIUK:** Where? I haven't seen it.

**MR. JOHNSTON:** For a lot 44 by 100 in Winnipeg, the market at the present time is running around \$14,300.00. —(Interjection)— Well, I'm informed in Tyndall Park and in the Maples, that's what our research has come up with. The average 400 square foot lot works out to \$3.25 per square foot and that's market. Now we are selling a lot that's much smaller in Selkirk West, the design, and quite frankly, CMHC will not participate with a speculative situation as far as the contractors are concerned to go in there. They will speculate, if any one of the honourable members comes forward and said, "I have the money; I'm going to build a house and I want to live there." It's a fact that they will not participate at the present time, contractors speculating in Selkirk West. If they want to take several lots, they won't become involved.

**MR. PARASIUK:** Yes, Mr. Chairman, I'll get into the specifics of Leaf Rapids and I'll come back to some of the larger questions as to whether Leaf Rapids Corporations will be reporting to the Standing Committee on Economic Development but I'd like to take up some of the matters that the Minister has raised. I think what he hasn't done is looked at the objectives regarding the Leaf Rapids development in West Selkirk. The objective was to try and develop lots and sell them at a price which would allow a builder to take the lot and build a decent house on it and have what's called a single family detached house and lot selling for under \$40,000 which would enable the buyer of that house to qualify for federal AHOP. That was the original major objective with respect to the Leaf Rapids development and it was very important because the federal AHOP program does provide subsidies to home ownership and despite what the Minister has said from time to time, one objective of the previous government was to try and provide an alternative for home ownership.

The problem is that in order to qualify for the federal AHOP program of subsidized interest rates which would help a person get home ownership, in order to qualify for that a person had to go to what the market was providing in Winnipeg or in other parts of Selkirk, and primarily that was to move into a duplex. You bought half of a duplex, or a semi-detached home or you bought a row-house or you bought a condominium and you might qualify for federal AHOP. It was felt that that didn't provide a sufficient alternative. It was felt that it would be better to try and develop lots in such a manner that it would be possible to have a person live in his own home, his or her own home on a piece of land that they own, with all of the improvements paid up for less than \$40,000 to qualify for AHOP. Now, that is indeed possible. There is one company definitely that has been dealing with Leaf Rapids Corporation for some months now trying to develop a proposal whereby single family detached houses for under \$40,000 which would qualify for AHOP could indeed be provided and there are some other builders who are interested in that development as well. I must admit that over the course of the last year and a half the market in Selkirk per se hasn't been the best, there have been a number of layoffs at the rolling mills which has affected demand. Secondly, the Federal Penitentiary has announced that it is going to be locating in Selkirk near that subdivision and that hasn't been the greatest thing in terms of improving the marketability. However, in the longer run I would suggest that the location of the Federal Penitentiary in close proximity to that subdivision will, in fact, be a major boon and the penitentiary will have 300 to 400 full-time workers who will be requiring low to moderate priced housing. So that the longer term future of that West Selkirk development is actually pretty good.

Now the problem, the problem does in part exist because CMHC has been hesitant to provide mortgage insurance for that development and I found that somewhat surprising in that CMHC has provided . . . Sorry, I will backtrack on that a bit. CMHC would like the province to put up some guarantees before it provides mortgage insurance to the West Selkirk developments. It did provide mortgage insurance without any guarantees from Inco in Thompson and it has a number of units that it now owns. So it was willing to take some risks in the development of Thompson and it's been willing to take risks in the development of some other subdivision, but it was a bit wary here and I gather that the arguments were that zero lot line developments were risky, that smaller lots were somewhat risky and they didn't want to take the chance. I suggest to the Minister and to the other members of the committee that that type of attitude on the part of CMHC is rather contradictory and has a Catch-22 element to it. Most people will say that what they are trying to do is provide affordable housing. Most people will say that a lot of people want to own their own homes. The greatest preference is for single family detached houses. What you need to do then is to reduce the size of the lot, to look at developments such as zero lot line developments which are being used in Calgary, Edmonton, Vancouver, Toronto and elsewhere in order to enable a house

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to be built on a lot of a decent size without any party-walls to it for less than \$40,000 and that possibility does exist right now in West Selkirk. There is a developer or home builder who's got a proposal for something in the order of 30 lots for West Selkirk and I think that the province, had it acted in a creative manner here, could in fact, have ensured that people would have the option of buying single family detached houses for under \$40,000.00.

Now, when we start looking at the price, I think that the price is a very good price. I have asked builders this morning whether they could get a better priced lot in Winnipeg and they have told me no. Now maybe there are lots that exist for \$14,300 in Tyndall Park, but as soon as you have a lot that sells for \$14,300, it's doubtful that you can put a house on that lot for less than \$30,000 so that you end up with a total price for the lot and the house of over \$44,000 which makes that house ineligible for Federal AHOP assistance. I think that's the point that the Minister and possibly the board have missed out when they've looked at the West Selkirk development because I think that the primary objective should be to try and provide the option of getting a single family detached house for less than \$40,000.00

Furthermore, when you start decreasing the size of the lots you will put a bit more into that lot so that people, although living in somewhat higher density, just aren't living in the normal flat 50 x 100 foot lot with no landscaping at all. So there was some extra effort put into the landscaping of the West Selkirk developments and from what I can gather there are people willing and ready to take on those lots. I'm sorry that CMHC has been sticky in this particular area because I can point to a number of areas, a whole wide number of areas where they haven't been sticky and they have indicated to me that one of the reasons why they were a bit sticky was that they were afraid that maybe some of the present developers in Selkirk might be stuck with lots which are selling for much more than the proposed price is for the West Selkirk development. I would think that it's not CMHC's function to necessarily protect builders of over-priced lots, and I hope they don't take that sticky attitude with respect to developments that the government, I gather, is still proceeding with north of Inkster and in South St. Boniface. If, in fact, they say, well look, we're not too willing to get involved in this, let me tell you that CMHC has to get involved in these developments because they do insure mortgages.

They do provide grants to the municipality and if they are going to take the position, well we don't want to rock the boat with respect to the private land developers that already exist, I think we'll never get the competition required to get the lots selling at a more reasonable price. I hark back to the Bellan Report which said that a major requirement is to get more serviced lots onstream and here we are, we're bringing more serviced lots onstream in Selkirk and we're bringing more serviced lots onstream presumably north of Inkster and we're bringing more serviced lots onstream in South St. Boniface and CMHC is sticking up the works a wee bit. I would hope that the Minister would take a fairly strong position, not only with CMHC but with the Minister responsible for CMHC to get them unstuck because I think that they are setting up a lot of Catch-22 clauses in that.

Secondly, I'd like to point out to the Minister that what's happened in West Selkirk is that the original lot price — and I'm just going on my memory — was going to be something in the order of \$8,000 per lot on average, that when I left last year the first tenders had come in \$90,000 below budget and I was assuming that they would have been able to bring those lots on-target at about \$8,000 per average so I don't know what has happened over the last year to increase their price from \$8,000 to \$9,500.00. But be that as it may, even if they are selling for \$9,500 on average, which means that somehow some lots will be selling for less and if a lot has greater amenity, it will probably be selling for more and that's why you end up with the average of \$9,500 per lot, it still is possible to build a house at a price in West Selkirk for under \$40,000 and I think that's very very important.

Now, there is another myth concerning the West Selkirk development and that is that the lots were all very small foot lots. That's not true. The attempt was made to have a number of smaller lots there because that was the way in which it was possible to meet the AHOP objective of assuming the \$40,000 per house and lot but in reality, there are no lots. There is serviced land and the land could be sold, and is being sold, and the builders are asking for the land in blocks and the builder then, according to his or her judgment of the market, determines whether he or she would want a 35 foot lot or a 40 foot lot or a 45 foot lot. So that when people talk about the only alternative in West Selkirk being a 33 foot lot, they are factually incorrect. There are many alternatives. I checked that out with the one builder who presently has had an application to Leaf Rapids in place for quite

a while. The builder understands that it is possible for him to get the block of land and provide a variety of lot sizes in that development. I think it's important for the public to be very clear on its facts with respect to the West Selkirk development.

I'm wondering then if the Minister is in a position to indicate whether the land which will be transferred over to MHRC in West Selkirk will in fact be retained by the corporation and the development managed by it or whether it will be sold to one developer or sold to a number of developers or how it will be disposed of.

**MR. JOHNSTON:** Well, first of all, Mr. Chairman, there are very few of the larger lots in the West Selkirk development, only those around the lake are the larger lots, about three-quarters or more are of the smaller size. The suggested price of the lots are: Type A, standard, \$8,300; Type B, corner, \$8,600; extra access to open space, \$9,100 and lakeside \$9,600.00. The type of lot Type A is by far the largest number of lots. There aren't that many corners and there are not that many beside the lake. The honourable member, if he thinks that we should — if he's suggesting, let's put it that way — that we should sell these lots at less than cost, because our costs at the present time are very clear. The costs of the development to date and the estimated completed costs — I believe I'm right — are \$1,908,000.00. In that estimated cost, there is \$400,000 that has been charged to Phase II which is a long ways away; it's charged to the development of the lake, it being charged to Phase II which has not even been worked on as far as the development is concerned as yet.

The Petrick Report which I referred to dated October 18th, 1976 says: "Most potential buyers fall into one of the following three categories. (1) Families indigenous to the area accustomed to rural village environment whose values give emphasis to ownership of yards sufficiently large enough to provide maximum privacy, space for gardening and clear distinction of territorial rights and reflected in traditional lot lines.

(2) Families moving or desiring to move from the more urbanized Winnipeg area to the outlying community. These people are primarily motivated by the desire for low-cost or greater privacy including a quieter lifestyle. Consistently, their values emphasize ownership of maximum-sized lots with maximum privacy. In leaving a more urbanized environment, they are rejecting higher density housing including semi-detached housing with the common party-walls and other features reflecting reduced privacy and space.

(3) Families moving to Selkirk from outlying rural areas, mainly retiring farmers and business people. Their values emphasize space and they reject outright the idea of smaller lots and higher density. Younger and older families alike would rather wait and save to buy later what they want than to buy today what they don't like."

The conclusion of the report says, "In conclusion, for the next several years, Selkirk housing market will not support the development of any significant number of semi-detached and detached housing and further, that the lot sizes should be kept to a maximum of 50 by 100 in any Selkirk housing development in the foreseeable future." Pardon me, where I said maximum; it's minimum.

Mr. Chairman, that report is very clear on the project at Selkirk. There's a report dated February, 1977 from E. C. Andrews, R. W. Shaw and A. D. Reed from New Brunswick, I believe, —(Interjection)— Nova Scotia, Clayton Consulting Services, which do not suggest going ahead with the Selkirk project in its present form. There are lots by Ensign Homes, at the time Leaf Rapids Corporation was developing, they were getting AHOP support in Selkirk for much larger sized homes. AHOP support was there and we have been in a situation in Bell Avenue, in The Pas, Manitoba, where we have gone to a type of housing which is just sitting there and the next phase of it we have to change, as I said the other night, we have to change it from a high density to single-family dwellings which is going to show us a loss as far as making that change is concerned regarding the services. But the town of The Pas needs lots and we intend to work with them and have been.

Mr. Chairman, we've had lots available in Portage la Prairie for a long time and they're not all sold. You must remember that the experience of Leaf Rapids Corporation to date, developing these two pieces, one piece of property anyway, and some of the proposals for the property in St. Boniface, are not such that they look as if they're going to be saleable pieces of property or saleable developments and we intend to examine that very closely before we go ahead in St. Boniface. But, Mr. Chairman, there is no question that everything that we have been able to put our hands on regarding the Selkirk, West Selkirk, Woodlands division has suggested that we should not have moved ahead in the way we did and we now have our costs in such a position that we would not

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be able to sell them at the suggested prices unless we lose about \$250,000.00. Now, Mr. Chairman, it's not our intention to keep moving ahead in developments of that type when we are continually losing money on them. There's got to be more research done and, with all due respect, it would seem that the Leaf Rapids Corporation did not pay attention to the experts they asked to give them opinions for their development.

As far as the ownership is concerned, we own it; we certainly don't intend to sell it in one block; we would prefer that smaller house builders would have a chance and certainly every effort will be made to do that. The gentleman that he is speaking of — and we have contacted everybody that has given us a proposal on West Selkirk — and yes, we have somebody interested providing that if he builds and they don't sell, we buy them back. That's the deal he wants and that's not a very good deal. So, you know, the honourable member can speak as he likes about getting the AHOP and everything but what he says has not borne true as far as the facts are concerned at the present time. I don't know what the facts were then. I do know that the suggestion was made that that should not be proceeded with in the manner that it was.

**MR. PARASIUK:** Yes, well, I would like to dispute a great deal of what the Minister said. To begin with, the reports that were provided that he read from were reviewed by the staff, staff which I think have a great degree of competence and have shown that pretty consistently. It was the judgment of the staff and the recommendation of the staff to the board that the project be proceeded with because it had sufficient flexibility whereby if the market for AHOP housing didn't exist, the larger sized lots could easily be had and my discussions with the private builders indicate that that is possible. We aren't selling lots per se, we are selling blocks of land. It's called RPL and it's the developer himself who determines what sized lots will come forward.

I find that the Minister isn't looking at what the objectives of the Crown getting involved in land servicing are. The objectives surely are to try and provide serviced land at a price as close to cost as possible, to try and provide some greater competition in the whole area of land servicing because what's happened over the last five years has been that with the growth of four large land development companies, it is virtually impossible for small land developers to get into the market, to get into the field. So you have these great barriers to entry because they don't have the land and when you get barriers of entry, you get something called a natural oligopoly. The way in which an oligopoly operates is that it tries not to over-supply anything because what hurts an oligopoly is over-supply and reductions in price.

So it was seen as a good thing by all three levels of government for the Crown to get involved in land banking and land servicing. So that's what you're trying to do, you're trying to coete and bring the price of lots down. That's not difficult to do with 50 foot lots but you have to go a bit further than that, I think, if you're the Crown land development agency. You surely have to try and make the housing affordable and when the Minister talked a few days ago, he was saying that one of the objectives is to provide affordable housing and I think that's a general objective but then you have to look at the ways and means by which you will provide affordable housing. Now, if you can only provide a 50 foot lot, or if CMHC says, "In the Town of Selkirk we will only insure mortgages for a 50 foot lot," that means that you are automatically excluding people from getting homes under the Federal AHOP program. Although he points out Ensign Homes as having sold some houses under AHOP, I think what he has to also point out is that those people living in the Ensign Homes now have a great number of local improvements to pay for so that their monthly P.I.T. isn't what they expected their monthly P.I.T. to be. What you have in West Selkirk is a development that has all the services up for a possible price of \$8,000 to \$10,000 depending upon the frontage of the lot that you're going to get and then if you look at the house prices which range, I guess, from \$30.00 a square foot to \$36.00 a square foot, depending upon the quality of the finishing, you're still talking about being able to get a single family detached house for that price.

I turn as well, because I think the two pieces of property are related, they are owned by the corporation, by the same corporation, so that some of the development costs, in fact, might have been incurred by a corporation as it's developed, as it proceeds with its evolution, probably resulted in some savings in the South St. Boniface property. I gather that the South St. Boniface property is very near to going ahead physically. It can proceed virtually immediately. I have also been told by a number of house builders that in their estimation the hottest piece of property in Winnipeg right now is the South St. Boniface property. I think that basically and by and large, the ranges of options available in South St. Boniface will be gobbled up at any minute and the CMHC people confirm that as well.

So, although demand is slow but will be steady with respect to the West Selkirk development and although I think that there will be no losses there with respect to that particular piece of property, when you look at the St. Boniface property, the situation is somewhat different. You've got a very very strong demand; you've got people wanting to get in there. You could, if you wanted to, raise the prices very high and still be under prevailing rates. You could indeed make a lot of money on that particular development although, again, this is where the objectives of the development become very important. Is it the objective to make a lot of money out of that development and then use whatever profits are made to subsidize other types of programs that the Minister has in mind? Because then what you are asking is the people who move into that development to pay an extra price in order to subsidize developments elsewhere.

Or, you can try not to make a great profit but to provide that possible variety of lots into the market at a good price and show people that it is possible to build zero lot line developments in part, show the rest of the industry that it's possible to have single-family detached AHOP houses even in Winnipeg at less than \$40,000 a year, but you won't make as much profit. So that's a type of policy decision that I was hoping that the board of directors of Leaf Rapids Development Corporation would have been spending its time trying to determine over the last three or four months. I gather that's not what it's been doing; it's been looking at it in somewhat narrow terms and deciding that these are policy questions that would be best handled by the Manitoba Housing and Renewal Corporation. Therefore, I ask the Minister, who is responsible for both, but right now we're talking about Manitoba Housing and Renewal Corporation Estimates, what is the status of the South St. Boniface development?

**MR. JOHNSTON:** Well, to answer a couple of your first questions, if you took two pieces of property in the Selkirk development and put them together, you'd be approximately — if we want to take an average — at 18.2, leaving you \$21,300 for a three bedroom house and that is possible, that is possible under AHOP. As a matter of fact, if it had been developed into 50 by 100 foot lots, we would have been in the position that we could have come under AHOP as far as the Selkirk development is concerned. But the decision was to go ahead on the zero lot line, or LRC type of development, and it's all very well for the member to say but if he's talking to that man that he was talking to this morning, you should ask him if he's willing to pay \$3.63 a square foot plus 10 in Selkirk. The only thing that we have been told, they're willing to go ahead and build and if they don't sell, we have to buy them back. That's the arrangement they want and that is not a good arrangement.

The member speaks of lots at a low price for people. Maybe he could tell me who would get them. Maybe he could tell me whether we hold a lottery as they did in B.C.; maybe he can suggest the people that will get those lots. I also remind the member that once a house is second-hand, it's market. There's just no way — and somebody is going to make a profit on that property — that somebody isn't going to make a profit on that property. So I can assure you that if you are saying that the policy which is being looked at that I mentioned the other night, or some of the policies being looked at shouldn't have the moneys or profits that come from that property used to see that there are houses within those developments that would house low-income people, I can't really agree with him because I can't think of a better way of using that money. But it's all very well to say that you're going to have lots at a lower price but I can assure you, deciding who is going to have them and also deciding that once he has it with a house on it and he finds out that he can make \$5,000 on it tomorrow, he will sell it at market. He'll call a real estate man and he'll sell it at market and he'll make a profit. So the situation has to be looked at very closely.

South St. Boniface, there's a development agreement with the city ready to go. Before that development agreement is executed, we must assure that the resulting lots that are going to come from that development are going to be saleable property. I might also say that the government is not in the best position to be a developer. Developers know which houses are going to sell when; they know when they take the gamble as to whether the market is soft or not soft after they've invested all the money. At the present time, we are in a position of having made an investment that we cannot get our money out of at the prices that were originally put forward and we've got very small lots. Now if the member has got a contractor who is interested in taking those lots and paying for them and building on them and selling the house the way any contractor should instead of asking us to buy them back if he doesn't sell them. —(Interjection)— I'll be very glad to hear from him though I'm speaking of Selkirk. South St. Boniface, as the member mentions, is a very hot piece of property but it's only hot if the development is such that people want it and we're endeavouring to take a look at it. The Clayton Report I referred to is doubtful as to the design

of the South St. Boniface property being one that is saleable in that area.

**MR. PARASIUK:** Well, I've been in contact with builders this morning who are waiting, they're keen on the South St. Boniface property, they think that the entire mixture, and again it's RPL units which means that a builder has the option of providing a variation in house prices. But, Mr. Chairman, I'm somewhat astounded by the lack of consideration of the Minister of certain things and what he says when he says, "Well who should get these lower priced lots". He has said that he doesn't want a low-income family to get a profit from government serviced land. He said they might turn around, and he expects that they would turn around and sell that house for \$5,000 more so he's indicating. . .

**MR. JOHNSTON:** No, I didn't indicate that. I indicated that there would be a profit made and that profit can be used to help low-income families in a much better way. —(Interjection)— Well, that's what I'm saying, if you want to twist it around I'm saying that the profit can be used to help low-income families.

**MR. PARASIUK:** Mr. Chairman, what the Minister had said is that when he was worried about how you'd sell these lots to low-income families if they're below what the market price is even though they're not below cost, he said well, what would you do. And I'm quite certain, and I'll check Hansard on that, he said that a person could turn around and sell that house for \$5,000 more and that there might be that inducement. There may be that inducement and you can build in some safeguards to that but what he is saying is that a private person who has a possibility of \$5,000 shouldn't make that \$5,000 and that that's something for the policymakers to look at carefully because you can build in safeguards at least for a year, maybe for two years with respect to resale. But that means if that private person can turn around and resell that house and make a \$5,000 profit, that means that the land developer is charging \$5,000 a lot too much. Right now the way he's operating and he seems prepared to let a private land developer make \$5,000 a lot in what might be called super-profit and he doesn't find that objectionable or unconscionable, but if the government gets into land servicing and sells lots at close to cost, he's afraid that that person will then turn around and make a \$5,000 profit.

Mr. Chairman, that reflects the lack of any objective approach with respect to land servicing that the government now has. We do have land which has been banked and if you look at the experience in Saskatoon and the experience in Red Deer, Alberta and I'd suggest maybe he should look more closely at the experience in Conservative Alberta because he might not be as biased when he takes a look at their experience in Red Deer, Alberta — but there the Crown has banked land, there it's servicing the land, there it's selling it at close to cost and is selling it at a cost which is less than the prevailing market rate was before the Crown got involved. So that means that the people in Red Deer are achieving a savings, they are able then to buy a less expensive house, or to buy a better house for the same money.

So, I think it's quite important for the Minister to take a very good look at the Bellan Report to see what he was recommending with respect to increasing the supply of lots, to determine what the costing of those lots could or should be, to determine whether in fact he's satisfied with the present market situation with the prevailing lot prices not \$14,300 as the Minister indicates, but something in the order of \$20,000.00. That means if you want to build a house, you pay \$20,000, but it's virtually impossible to buy a lot for \$20,000 because the developers want to save those average types of lots for themselves to put up their housing. If you wanted to go into new development you can buy a corner lot, or a pie-shaped lot and you can build your own custom home on that pie-shaped lot, but you don't pay \$20,000 for that lot, you pay \$30,000 to \$40,000 for that lot and you build and if you look at the new subdivisions and drive through them, look at the corner lots, look at the pie-shaped lots, the ones in the bays. Just take a look at the houses that are on those lots, drive through Niakwa Place, drive through Ladco's latest development, drive through Oakwood Estates in North Kildonan, look at the Maples, check these out and you'll find that people are building \$100,000, \$150,000 houses on those lots which are easily available because the large land developers who are vertically integrated and have their own housing companies part of them, they don't want to sell themselves a pie-shaped lot for \$20,000 and build a \$40,000 house which is what their system's geared to doing in a prefabricated or mass-produced manner. So, you'll find that they don't sell themselves the choicest lot, they sell that to individuals, so that the individual has a greater opportunity in the private subdivision right now of buying a very high-priced lot. He has a greater opportunity of buying a high-priced lot than he does of buying a low-priced lot.

But even if you look at the low-priced lot and look at what the consumer has the possibility

of getting, often it's not what I call an affordable house. Often, people are going in what used to be called and I think still is "Mortgage Heights", they're house-poor. They're buying a house which requires their wife working always, they're getting themselves into situations where they're talking about \$700, \$800 monthly P.I.T. They find they have no flexibility at all. Sometimes they get hit with local improvements, although in most new subdivisions they don't get hit with local improvements, but if you talk to people in the new subdivisions they find that their disposable income is very very tight and then when you find out what percentage of their income is going towards shelter, you'll find that it's a lot greater than 30 percent. It's something in the order of 50 percent, that's what makes it very tight for them and you think well, you know, is it possible for younger people, especially younger people, to get into other types of housing.

So, I hope that the Minister would look at ways in which CMHC might provide insurance for mortgages in older houses in the older part of Winnipeg and so people could get into what might be called start-up homes more easily. Because their tendency is to go into a new subdivision in the suburbs, look at this house and say, gee, I want to buy exactly the same house that I left when I went to get married, and they want the same house that their parents have. But their parents acquired that house that they are living in now after having built up equity over a 25 year period probably, and that is a problem. Then that means that people should have more options when it comes to housing. They should have different types of housing available to them and since most people do have a preference for owning their own house so that they can build up equity. . .

**MR. CHAIRMAN:** Gentlemen, the hour of 5:30 p.m. having arrived, I'm leaving the Chair until 8:00 p.m. \$ .D1SUPPLY — HEALTH AND SOCIAL DEVELOPMENT

**MR. CHAIRMAN, Mr. Abe Kovnats:** I would direct the honourable under Department of Health and members to Resolution No. 59, Page 38' Social Development. We are on Item (h)(1) Salaries. (h)(1) Salaries—pass — the Honourable Government House Leader.

**MR. JORGENSON:** Mr. Chairman, before we begin the consideration of the Estimates, I believe there is general consensus that we will not proceed with Private Members' Hour this afternoon so that rather than calling 4:30 Private Members' Hour we will go straight through until 5:30 P.M.

**MR. CHAIRMAN:** The Honourable Member for Elmwood.

**MR. RUSSELL DOERN:** Mr. Chairman, this is my first opportunity to enter the debate on the Health Department Estimate and there are really two points I wanted to comment on.

In the first instance, the Minister has already made some remarks concerning the future of the program pertaining to dental nurses training in Saskatchewan but I did want to read into the record a letter, which I will forward to the Minister, that I received from a woman, and it does raise a couple of concerns about the program and also is critical of the manner in which the nurses were, in effect, notified of their future in the first instance.

So, if you would bear with me for a couple of minutes, I would like to just read this letter and then ask the Minister to comment before turning to a second comment. This is a letter from a lady, Mrs. Lavoie, in Neepawa, Manitoba — obviously not a constituent of mine — who said as follows: "As a citizen of Manitoba, I write to you with great concern. This letter is in regard to the recent suggestion of the discontinuation of dental care nurses and their services:

"In the past few months I have watched with horror the indiscriminate cutting of services of the people of Manitoba. This time it hits close to home, quite literally. You see, my younger sister is one of those nurses in training at Wascana in Regina. Just out of high school, she chose her profession to be that of a dental nurse. Her high school marks were in the top ten of the graduating class and she could have chosen any profession to go into and probably would have done quite well. However, she felt that dental care and the working with children was her calling.

"As you should know, the dental school at Wascana has quite stringent entrance requirements, yet she was one of the 40 accepted. The course is a very difficult one and many, many hours of work and home studying is required, yet she remains in the top ten.

"Now it would seem it was all for nothing. A previous year of her education life has been wasted. For her to hear the news of the cutbacks over the radio, instead of from her sponsors, the Province of Manitoba, was especially cruel. Surely the P.C. government could have warned these students of this before the press was told. To me this was a very gutless thing to do, and what are they to do in the meantime while this whole matter is under review? I witnessed her tearful return to Regina on Sunday. Is she expected to go back to her studies and exams with the same enthusiasm while her very future is so uncertain? I couldn't; could you?

"To me the dentists of this province are dogs-in-the-manger, while they can't handle their present caseload, they cry for more patients and their money. One only has to make an appointment at the dentist to attest to this. The wait is anywhere from one to three months right now. How can they possibly handle several thousand more school-age children? There are parents in this province who cannot afford to pay dentists' bills, thus their children simply can't go. As you know, with the present system, school children get good, free dental care.

"Dental care and preventive dental medicine is a necessity and should not be a luxury for those who can afford to pay the price. It seems quite ironic that this could be happening in dental health month." This letter, Mr. Chairman, was written in April.

"I also wonder how many dentists would be willing to give up their cosy practices in towns and cities and go to the remote north rural villages or to the Indian reservations to fix children's teeth." And, the last page.

"Dental nurses do, and they do so because the need is there. My sister could probably go into any other profession, although it would be her second choice, but what of the children — the thousands of school-age children — who will be denied good dental care because their parents lack the money? Should they have to suffer also?

"Your government worked so hard to implement this very worthwhile program. Don't let them throw it all away. In this dental health month, let's take a step forward and expand this much-needed program, instead of a step behind and discontinue it.

"Please accept my support and encouragement in fighting this matter. There are many behind you. Please let your voice be known in this matter that affects so many."

Mr. Chairman, the Minister has spoken on it. As I say, it was signed by a lady, Mrs. Lavoie, in Neepawa. The Minister has given an answer. I would simply ask him two questions again.

One, why was the matter so poorly handled in the first place in terms of notifying people in the program? And secondly, now there still seems to be some doubt. I refer to an article in the Tribune on the weekend. The Minister's remarks seemed pretty tenuous, at best. For instance, if I could refer to this article from the Trib., it mentioned that he was prepared to give the nurses a guarantee of good faith. And although I suppose that may be the best he can do, there still seems to be a question mark over the program. So I would ask the Minister again if he would like to comment on this letter that I have read to him and to ask him in particular whether he thinks there is any opportunity to expand the program, because at the moment I think he's still creating the impression that the program will be continued but it's still up in the air as to its future. For somebody who is looking for employment, I think that that leaves them with a rather uneasy feeling. I'd ask him if he could comment on that and the I would like to make one other comment.

**MR. CHAIRMAN:** The Honourable Minister.

**HON. L. R. (Bud) SHERMAN (Fort Garry):** Mr. Chairman, no, I will not go back over the ground that I went over during the debate on the item in the examination of the Estimates of the Department of Education or the thorough going exchange that the Honourable Member for St. Boniface and I, and the Honourable Member for Seven Oaks had on Thursday evening or the further exchange involving other members opposite on Friday morning and again on Friday afternoon.

I'm not responsible for the stories that the Winnipeg Tribune writes. I would refer my honourable friend, the Member for Elmwood, to Hansard or to the transcript of the committee hearings on this item, on Thursday and Friday. I can't give any more of an undertaking than I've given. I explained that it's impossible to give a firmer undertaking than a gesture, a commitment of good faith, to those coming out a year from now and an encouragement to them on the basis of that, to go back and complete their courses and a guarantee of their funding from the government plus the guarantee to those coming out this June, of being accommodated in the program.

The honourable member makes reference to a letter. I'd be interested in knowing the date that that letter was written.

**MR. DOERN:** April 5.

**MR. SHERMAN:** April 5. I have already assured members opposite, including the Honourable Member for Ste. Rose, that there's been lots of mail on the subject. I don't dispute the tenor or the nature of the kind of letter that the honourable member has just read into the record. I can only say what I've said throughout this debate, that I would have been on record as being in favour of a Children's Dental Health Program long before I was Minister of Health.

Now the Honourable Member for Elmwood reads a letter into the record in which the writer deplores the news of the cutbacks that she heard on the radio. Well, she never heard them from me, Mr. Chairman. She has never heard from me since last September 6, the day the last Legislature was dissolved and the election was called, that I favoured a Children's Dental Health Program; that I was not entirely convinced that we were doing it the most effective or the most cost effective way; that I was not entirely convinced that the private profession had had a fair shot at it, which is a point of disagreement between my honourable friend from St. Boniface, and myself — but that's a legitimate point of disagreement — and that I would like to explore ways of involving the private profession and reducing the cost. That's all that the writer of that letter, or anybody else in Manitoba, has ever heard from me about the Children's Dental Health Program.

She never heard that there were going to be cutbacks. If she's referring to a freeze on geographic expansion, I refer her to the architects, to the construction trades, to the communities who have got personal care home projects on the drawing boards, to the communities who've got hospital renovations on the drawing boards, to thousands of other Manitobans.

Manitobans, generally, have been asked by this government, to wait a little longer for some of the things that they want while we pursue what we said was the No. 1 priority. I don't think I have to justify that position to the writer of a letter with respect to a sister who is taking the Dental Nurses Training Course, anymore than it has to be justified to any other Manitobans, particularly Manitobans in the categories to which I've just referred, who have all seen programs in their areas temporarily deferred or frozen or suspended pending the pursuit of the restraint challenges that we felt were necessary for the immediate future, in order to get the financial affairs of the province in order.

Well, that's the only thing that happened to the Children's Dental Health Program that could be described as, in any way, in the most remote way, reflective of or representative of the references made by the writer of that letter. Because there are no cutbacks. There is simply a decision not to expand into the other school divisions at this time that were being contemplated for this year by the previous government.

The honourable member says that he asked me a question as to why the thing was so poorly handled in terms of notifying people in the program? I can't answer his question because I don't understand his question. The people who are in the program, in the second year of the program and graduating this June, are going to be accommodated. The people who are in the first year of the program are going to have their financial support maintained next year so that they can complete the program. I have told them that I will do everything in my power to be able to give them a reason for hope and optimism and an assurance of a program that they can be built into and accommodated in at the level of their qualifications; but they're dealing with a new government, a new Minister, a new philosophy and they've got to give us some time, and give me some time, to work out the mixed program that I think I can work out with the private profession.

I don't know how many times I have to say that. As far as being poorly handled, they have sat in my office and met with me. There is no pessimistic news to give them. I'm not responsible for what they read in the Tribune, or any other newspaper, or for what they hear on the radio. There are a lot of stories around about cutting of services.

As I said to my honourable friend from St. Boniface, when their government took over there were a lot of stories around and abroad as to what was going to happen. In time the government of that day articulated its positions and the government's course of action became apparent. In some cases it bore no relationship to the stories that were around and abroad, in the months of its inception. That's a typical kind of climate and a typical kind of situation when a new government takes over.

I can't answer for all the questions that are brought on the Children's Dental Health Program. I've tried to spell it out as clearly and as co-operatively as I could. If people are still writing letters to that effect, then I would suggest that my honourable friend, if he wants to be helpful, might refer them to the remarks that I have made that are in Hansard and on the transcript and on the record. The Children's Dental Health Program is continuing in the 29 divisions that it's in.

**MR. CHAIRMAN:** Order please. Before we proceed, I believed that the Honourable Member for Elmwood's questions were of a different nature than what we had debated last week. I didn't rule the Honourable Member for Elmwood out of order, but the questions are identical and the answers are also identical. If the Honourable Member for Elmwood is going to proceed on a different vein, then I would be happy to acknowledge the Honourable Member for Elmwood.

**MR. DOERN:** Mr. Chairman, I would just say in passing, to remind you, that there are concurrent

committees running and that not everybody can be in two places at once. I would also indicate that I read a letter, which wasn't heard before, and my intention was to make sure that that was drawn to the Minister's attention.

I would simply make this final comment, namely, that the Minister is now giving assurances, which to me are only half assurances. He is not saying that the program, that the people who are graduating next June, will have definite work. He says, it is probable. I say to him, that that is a cause for concern, on the part of those nurses who are graduating.

I also point out that there has been considerable anxiety, and his present assurances are of course better, than what has been going on in the last few months. But people who learn from the media that their program was being terminated, have cause for concern, and I leave it at that. We will wait and see what the Minister does. But his former position, as I understood it, was that the program would not be continued; and more recently he indicates that it may be continued.

I wanted to, in the same area, ask him about preventive dentistry because I believe that this topic falls into that general category of teaching better dental health — and I'm thinking here particularly of young people. I am familiar, personally, with a debate that has ensued over the past year or so with Dr. Leake, who was present, and with my dentist, Dr. Bachinsky, who is a very competent dentist; who is a leader in the field of preventive dentistry. I wanted to ask the Minister whether he can give us some indication that his government is going to either adopt or expand a program of better dental health care for students and young people.

This program with the dental nurses, was in that area. It was along those lines. But it's only a fraction of what could be done or what should be done. I would like to ask him whether he can give us some assurance that there are programs being carried out by his administration to teach young people better dental hygiene and to possibly consider the elimination of junk foods and to emphasize prevention rather than treatment. I would give as an example, that the average young person probably has an idea about — this is my colleague's peanuts here.

Well, the point is this you know, Mr. Chairman, one can eat a certain amount of junk foods providing one brushes their teeth and adopts a program. I give you an example of what is considered to be a first-class prevention program, that would be recommended by my dentist and people who are really strong in the field of preventive dentistry. Not only brushing of teeth, but using dental floss, using a tooth pick, which I think a lot of people — I don't mean a wooden thing that you pick your teeth with — but it's almost identical, and even a device which probably most of us have never seen before, a tongue cleaner. —(Interjection)— Yes. It's for people who have a foul mouth or a dirty mouth.

So, Mr. Chairman, I'm saying that a comprehensive program of dental care consists of more than brushing the teeth; and I think that most people don't know how to do that. So, I'm saying, is there a program in place right now, or is there an intention on the part of the government to expand that kind of program, you know, to really teach and expand our program — make sure it's provincially and make sure that it is carried through as well — because as I say, Dr. Leake, who I believe is the head of this program, has one position. Other dentists I know, feel that not enough is being done and that the program emphasizes too much filling and drilling and extractions as opposed to teaching correct dental habits. So I would like to hear what the Minister has to say.

**MR. SHERMAN:** No argument with the honourable member, Mr. Chairman, on the subject of preventive health, preventive medicine, preventive dentistry. That really is the *raison d'être*, as my friend from St. Boniface would say, for the —(Interjection)— No, I can say it, but I can't spell it. But I know what it means — for the Children's Dental Health Program. Fundamentally, it's a preventive program, a program designed to establish proper dental habits, establish the proper psychology that the kids will grow up with and then live with in terms of being conscious of the value of good dental health and good dental health practices, and to identify difficulties that potentially could develop for them, and arrest and eliminate them before they occur. So, that's really the primary focus of the program as it operates in the aegis of the Children's Dental Health Program under the government. As far as the profession itself is concerned, the Manitoba Dental Association, they do engage in, and recently promoted a week of public awareness in the field of dental health, proper dental care, proper preventive dental hygiene, and I would agree with the honourable member that in dentistry, in dental health, as in all fields of health, this is a thrust that must be expanded and enlarged in the future.

I think that tying in with this are the efforts that we attempt to make in public health instruction

in our schools through public health nurses, in home economics programs in subject material having to do with proper nutrition and good diet; they all tie together into the thrust and emphasis on proper lifestyle in terms of your health, that I think the Honourable Member for Elmwood and I would be in complete agreement on. I don't think that we can do the job that needs to be done for each and every one of us in society, in the health field, unless we all assume a responsibility, or as great a responsibility as we are capable of assuming, for our own good health, for the proper care of our own physical, mental and emotional health, and certainly, good, preventive dental hygiene is a very fundamental part of that. So I will be attempting to emphasize that and stress that in our total approach to preventive medicine, certainly in the consultations and communications I have with the Canadian Dietetic Association, Manitoba Branch, with the people who promote good nutrition; with the profession, the Manitoba Dental Association; and with Dr. Leake and other officials of the Children's Dental Health Program. That's a promotional job that must be done with greater intensity than has been the case in the past; I would assure the honourable member that the government will make expanded efforts in that area.

While I'm on my feet, Mr. Chairman, I would like to respond, for the record, to the Honourable Member for St. Johns, who spoke on Friday afternoon about the monitoring mechanisms that will be applied to the Turtle Mountain pilot project and to the existing Children's Dental Health Program, to determine the level and degree of quality in terms of professional work done, utilization, standards, satisfaction, both of the children and of the parents, and related matters. I want to say, for the record, that in discussions with the Dental Association relative to the Turtle Mountain pilot project, we have agreed that a very important ingredient or component of the arrangement will be that the right of inspection of the children should be retained by the Minister in order to assure the health outcome of the care provided. The cost of this inspection should be included in the final cost calculations; whether it will be borne directly by the department or come from the granted funds, or be borne by the Dental Association is to be decided by negotiation, but that kind of responsibility and authority for monitoring and overseeing of the effectiveness of the work will rest with the Minister and with the department on the basis of discussions that we've had with the Dental Association thus far. That, of course, applies specifically to the Turtle Mountain pilot project.

As for the existing Dental Health Program, we have already in place a procedure whereby the dentists fill out forms having to do with the procedures, the work carried out in each case. That provides us with a written, recorded check of the work with the affixed signature or sanction of the supervising dentist in each case, and we have regarded that thus far as a fully authoritative overview of the quality of the work. Certainly, the department is amenable to any suggestions emanating from either side of the House as to what might be desirable in terms of even a broader, or more sophisticated monitoring program. But I want to assure honourable members, and the Honourable Member for St. Johns, for the record, that the Turtle Mountain pilot project will not be allowed to operate without supervision, without monitoring, without a thoroughgoing check and a proper evaluative technique worked out that will enable us to draw some solid conclusions as to its effectiveness.

I recognize many of the pitfalls that were raised by the Member for St. Johns; he referred to the fact that in some ways we would be comparing apples to oranges because we're dealing with a particular type of school division which perhaps is not widely duplicated in other areas of the province. I want to say to him, through you, Sir, that I recognize that; I recognize that and we are not intending to take results of the Turtle Mountain pilot project and say, "Fine, this is what happened in Turtle Mountain so this proves that this is what can be done everywhere. We can do this in Winnipeg School Division No. 1; we can do this in Brandon; we can do this in Crane River or in Shamattawa; absolutely not, Sir. We recognize that we're dealing with a specific kind of community, specific kind of school divisions, specific kind of, sort of socio-economic group and it will be judged in those lights; it will be judged accordingly.

Really, in my view, the main question that I want to get answered from the Turtle Mountain pilot project, has to do with the commitment and the follow-through of the Dental Association itself. I may be speaking a little out of turn in saying that, but with all the other questions that will be answered by that pilot project, for me, certainly one of the most important is the determination of just how serious the Dental Association is, in terms of pursuit and follow-up, in order to get utilization. I think that's really the big question: are they going to work as hard as they say they're going to work to get the kids in, and to get the work done? That's really one of the big questions I want answered through that pilot project; I'm not expecting or intending that we will be able to take that socio-economic group and translate results to other school divisions. So, we'll be measuring that

very carefully.\$

**MR. DOERN:** Mr. Chairman, just one more question. The Minister indicated that he agrees about the need for preventive dentistry and greater public education, and in particular in regard to children and students. But I ask him whether, in this budget that we see before us under (h), is the money there? He said he intends to expand the program: does he have the dollars, or is this just wishful thinking on his part?

**MR. SHERMAN:** Mr. Chairman, my officials advise me that there is money in the appropriation to do no less than has been done in past years, and to maintain some additional initiatives in this area that were undertaken in the fiscal year just ended in the field of preventive activities. One was a fluoride rinse program in the Eastman and Central regions of the province; it covered 65 schools; 62 of them implemented the program of weekly fluoride rinses for children who usually attended grades from kindergarten to Grade 3. An estimated 4,650 children, or 89 percent of those eligible participated in this. Plans call for the extension of this program into all regions. Also, there was a system of grants to municipalities who own and operate their own water systems for fluoridation of those water systems; it was approved by the previous government and put into place. Thus far, grants to purchase and install fluoridation equipment have been made to Birtle and Melita, and that program will be continued and hopefully, expanded.

So, those are the kinds of initiatives that were introduced in the past year and come close, at least, to some of the kinds of things that the Honourable Member for Elmwood is talking about, and they will be maintained and extended. So the answer to his question, Mr. Chairman, is yes, the appropriation that we are seeking here does contain provision for that kind of preventive activity. I would hope the honourable member would give me a chance to answer the question again next year and see whether we can't extend the preventive initiative considerably further.

**MR. CHAIRMAN:** The Honourable Member for Churchill.

**MR. COWAN:** Thank you, Mr. Chairman. During the course of the discussion on the Dental Care Program, we have heard much about six school divisions that were scheduled to have the program, and the program has been frozen, so those six school divisions will not have the program. I am wondering if the Minister could be specific and detail out as to which six school divisions those are?

**MR. SHERMAN:** Yes, Mr. Chairman. They were Rhineland, that's School Division No. 18; Garden Valley, No. 26; Pembina Valley, No. 27; Mountain, No. 28; Tiger Hills, No. 29; and Western, No. 47. The Honourable Member no doubt is interested in school divisions in the northern part of the province; they were to be in the third phase of the extension of the program, a phase which was also, incidentally, supposed to include the major urban areas in the province, Winnipeg and Brandon. And that stage has been deferred in implementation; there is no geographic expansion of the program intended for this fiscal year.

**MR. COWAN:** I would ask the Minister then if he would indicate as to when that third phase was scheduled to begin, that phase that would incorporate the northern school divisions?

**MR. SHERMAN:** Well, the six divisions to which I referred a moment ago were supposed to be covered in the 1977-78 fiscal year, and then, provided staff could be obtained, the move into the north and into the urban areas was to take place this fiscal year, 1978-79. We have all of those divisions in contemplation in the discussions that we are holding within the government itself and with the Manitoba Dental Association, but the final formulation of a program that would involve the Dental Association and reach into those uncovered school divisions has not been achieved yet, Mr. Chairman, and I don't expect to be able to give honourable members of this Legislature specific conclusions or specific word on that until later this year.

**MR. COWAN:** I thank the Minister for that information, Mr. Chairman. I am somewhat concerned — and I arise to my feet at this time because I am somewhat concerned — that throughout the course of Estimates and throughout the discussion and debate that has taken place in this Chamber and in the committee rooms a certain general feeling has been slowly creeping up upon myself and I'm sure on other colleagues, not only from the north but from the south, and that is that the north is being drastically short-changed by that government and by the members opposite. And we see it in the selling off of many of the assets. We see it in the discontinuation of many of the programs, the disestablishment of many of the programs, in the north.

I think in the field of dental care the north has been crying out for better dental care, has been crying out for something to take the place of the private profession who have not lived up, in my opinion, who have not lived up to the their responsibility in the north. And I think it is not only in my opinion but it is in the opinion of the Minister opposite. He spoke of the fact that working, operating as a dentist in the north is more costly and more difficult, and I'm quoting him from the Friday, April 28th, Hansard. He says, then, "For many persons and professions, unfortunately, much less attractive in remote areas than it is in urban areas." That the cost of operating for a professional dentist in the north is less attractive. In other words, they cannot make the return on their investment. That investment being their office equipment; that investment being their education. That they will make less money and less profit in the north. And therefore they have stayed away from the north. And they have stayed away from the north, Mr. Chairman, I might add, in droves. There are presently communities in the north right now that do not have dentists living in those communities, and sizeable communities — communities of 2,000 or 3,000 people, which is a sizeable community in northern Manitoba. They have no access to 24-hour dental care and they have no access for their children's teeth.

For that reason several things are happening. Number one, the children who do have dental problems at this time are not having those dental problems taken care of as they should, and those problems are becoming worse and worse, and their mouths and their teeth are becoming less and less healthy and the problems build upon the problems. And while they do that, they build bad habits, in reference to dentists. Because by the time they get in to see a dentist, by the time the dentist comes into the community, there is usually only one thing left to do and that's to pull the tooth. So you have a lot of children in northern Manitoba, and a lot of adults I might add, going around with teeth that have been needlessly pulled because there was not access to dental care.

We talk about preventative dentistry. They never build those habits because they never have access to the care that's necessary, and the private profession has failed northern Manitoba in that respect. I can't put it any less blunt, and I wouldn't want to put it any less blunt. There are not enough dentists to service the communities. In the communities that they are in — I don't want to say anything detrimental as to the specific dentists in the north, because those dentists who do come to the north are usually very dedicated dentists and they work their butts off to provide adequate service — they find out in the end that they cannot even work through the backlog of cases that come before them. So they are overworked and they can't make progress. So that those few dedicated individuals that do come to the north, I salute them for their efforts. But until their profession, as a whole, recognizes the need for dental care in the north and recognizes that it is unattractive for them but they have a responsibility, then those few dedicated individual dentists are not going to be able to do what is necessary to change the situation in northern Manitoba.

The majority of the time they are repairing damage that has already been done. They are pulling teeth; they are filling teeth; they are replacing teeth but there is no preventative. They do not have time to take preventative actions, to teach preventative dentistry.

For that reason, I was looking forward — and I have to admit that many of my constituents were looking forward — to the implementation of this program in the northern school divisions. I just returned not more than 45 minutes ago, or an hour ago, from speaking to one of my constituents who is visiting in the city and who is on the school board in one of the communities in the Churchill Constituency. And, I asked her, in this particular town, Lynn Lake, , "Do you have a dentist yet?" Because when I worked in Lynn Lake we didn't have a dentist in the community. If you had a tooth ache that was just too bad. If the tooth ache got bad enough you would go to the hospital and the hospital would pull the tooth or give you painkillers to ward off the pain. And if you could, you would leave the community, and the nearest community is 60 miles that had a dentist, and you would drive that 60 miles to have your teeth taken care of. That's man, woman and child; that's for everybody.

With that situation as it was, I asked her if that still applied to the community of Lynn Lake. She said, no, that they were fortunate enough to have one of the children of one of the long-term residents of Lynn Lake had gone out and taken a dentistry course and had chosen to return and to serve the community that he was brought up in. And I respect that person and I think that's an admirable quality. So they do now have a dentist in that community. They have one dentist who is living in the community and one who travels.

But there are many other communities. I think Snow Lake is a community that is presently without

a dentist. That is not in my constituency, but it, again, is in the north, and I think we should mention it. —(Interjection)— Well, the Member for Roblin says, "Try Roblin, Ethelbert and Pine River." He mentions a lot of places. I agree with him. There are a lot of places that are in crying need for dentists to come in there and to make the sacrifice and this, Sir, is why I say to you that the dentistry profession has failed these remote communities, has failed these rural areas. I am somewhat concerned when the Minister stands there and says that we have to give the private profession a chance, and his government says we have to put private enterprise — and they are one and the same — on trial. I'm saying we don't have to; they have failed already and we don't have to give them a chance. As long as they are motivated strictly by profit, they are never going to do justice, they are never going to do service to the northern parts of the province, and that it's going to take a particular amount of dedication on the part of this government to fill those needs, and I don't see that dedication forthcoming.

I hear the Minister say of what he hopes to do, in many respects, not only in the dental program. I hear the Minister talk of fond schemes and grandiose plans, and I sincerely hope that they work out for him but I don't see anything happening now.

We do see teeth continuing to rot in the north. We still rotten teeth service in the north. We see that today, but we don't see anything happening. I'm saying to the Minister that the need is today, that the north is crying out for proper service from his government today, and that the north is not satisfied to wait until they test the private profession which has continuously, from time immemorial, failed the north. You know, the north, for private enterprise, has always place to take things out of, not a place to put things into.\$

Being profit motivated they are not going to go up to a community where there are 2,000 residents and of those 2,000 residents they are going to have a much smaller patient load and they are not going to make as much money. So the government has to step in.

So in light of that, and I don't think I'm telling the Minister anything that he doesn't already know, I think he realizes that. I think all the trouble that he has had in Snow Lake, in getting a doctor into Snow Lake, and I understand that today there is not a doctor in Snow Lake along with not a dentist in Snow Lake; I understand last week there was not a doctor in Snow Lake, along with not a dentist in Snow Lake. The trouble he has had in that one specific instance of putting a doctor into Snow Lake — okay? — will prove beyond a shadow of a doubt that the private profession is not willing to service the north. So he is going to ha to come up with something better. He is going to have to come up with some sort of incentive, some sort of impetus, and I would think that we had that in the Dental Program. I would ask him; I would encourage him; I would beseech him to commit himself now to putting that program back into the north. Let him carry on his experiments in the Turtle Mountain School Division and let him carry on his other experiments but in the meantime, right now, putting something into the north, putting that program into the north where it's ready to go into the north. They are prepared. They have accepted it. They are willing to have it come in. They want to come in. Putting that program into those school divisions on the conditions that if it doesn't work out, if they find that the Turtle Mountain experiment is a better experiment, then at a later date they can revert back. They can change it. They can make the necessary changes to have it mesh with the rest of the programs in the province.

But until such a time not to sit there and say, "We are experimenting." No need to experiment in the north; you just have to go there and look at the children's teeth or the lack of their teeth and you will see that there is no need to experiment in the north. The private profession has failed the north miserably and I'm calling upon his government to put into place this program so that right now, today, this month we can start caring for the needs of northerners in respect to dental service in northern communities.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. SHERMAN:** Well, Mr. Chairman, I would agree with a great deal of what the Honourable Member for Churchill says. Unfortunately, it's not just the private dental profession that has failed the north. I don't need to tell the Honourable Member for Churchill that we have the same problems with respect to professionals of a wide variety of fields and categories in terms of servicing the north. And I'm sure that my predecessor, the Honourable Member for St. Boniface, wrestled with the problem of getting proper medical and dental services into the remote regions of the province, and particularly the north.

It's one of the central themes of the discussions that I am having with the Manitoba Dental Association. In fact, I believe that the Dental Association understands that we're not interested in

proceeding with a commercial kind of opportunity for the private profession simply to expand and operate in areas that can be relatively easily serviced. That what we want from them, if they want to be involved in a broad application of the program, is some suggestions and some solutions to attracting, recruiting and retaining practitioners in rural Manitoba and in the north, and in the remote parts of the province. That has been a very central part of the discussions.

With respect to the present situation in the north, the only thing I can say is that basically the honourable member's sketch is the scenario. I don't have to go into the north to know that children's teeth in the north are very badly neglected. All I have to do is go down to the Children's Clinic at the Health Sciences Centre and I see them there that have been flown down from the north with medical ills, but at the same time they have got terrible problems with their mouths and with their teeth. And who is it to say that the medical ills didn't start because of the lack of proper dental care.

I agree with the honourable member's point. In the north, at the moment, we are in Flin Flon with the Children's Dental Health Program and Keewatin Community College at The Pas has the responsibility for providing preventative dental care there. We have an arrangement through the department with the Churchill Health Centre, where the department makes a grant of \$50,000 to the centre to provide care to children and adults there. And there is an arrangement — not finalized yet but in the machinery of Cabinet at the moment — relative to the Swampy Creeks and the service that would be provided at Moose Lake and Easterville. As far as the reserves in the north are concerned, that, as the honourable member knows, is the responsibility of the Federal Government.

So there is some service in the north. But I'm not minimizing the seriousness of what the Honourable Member for Churchill had to say. All I can say to him is that a year from now, or two years from now, I may be a very disillusioned Minister of Health if I'm still Minister of Health. But I'm optimistic; I hope that we can produce a program, as the former Minister did, that will provide this service. I'm not convinced that it should be precisely the kind of program that the former Minister and his colleagues organized and created. It may end up being precisely the same kind, but I'm not convinced of that yet, but I am as committed as he was to a program that will alleviate some of those problems in the north that the Honourable Member for Churchill has referred to and if I don't succeed in that, I will be very disillusioned.

**MR. COWAN:** Thank you, Mr. Chairman. It's not enough that the Minister will be very disillusioned if the programs don't succeed.

The program is there. It is a workable program. It is working in a number of school divisions right at the moment. He does not have to go out and develop a new program and he is perfectly capable of making alterations, or changing that program, as they become necessary — if he considers in his own opinion that they become necessary — to reverting it over to mesh again with the rest of the province. Just as if they come up with a program out of their Turtle Mountain experiment, if they come up with a program that is different and is working, then the program that is presently in effect in some 28 or 29 — I'm not sure which — school divisions, they will have to change the program that is in those number of school divisions to fit the program that they have come up with out of the Turtle Mountain experiment.

So what I am asking the Minister to do is to recognize the crying need in northern Manitoba to have this program come in there immediately and to convince his Cabinet colleagues, and to convince his government, that this money is money well spent, to put the program in there immediately and then make changes if changes become necessary, because the need is immediate.

He says that they have that problem with professionals of a wide variety, that do not choose to go into northern Manitoba because of the lack of profit or the lack of opportunity for them. I would agree that he has that problem and that he will not change that problem. He will have to put programs of this nature in to get those people into the north.

He says that children are being flown down, that he doesn't have to go into the north to see the deplorable condition — and I'm generalizing but I'm generalizing in truth here — the deplorable condition of teeth in the north because of the lack of professional help; because of the lack of dentists, the lack of para-professionals at that point also.

Then he says that maybe the medical problems that are existing in these children, start from the lack of proper dental care, and I would agree with him. I would suggest that he is, at least,

partially correct there, if not totally correct. If it does not start from the lack of proper dental care, it is surely hampered, or it is surely worsened by the lack of proper dental care.

So when we talk finances, when we talk money, when we talk money well spent or money not well spent, I think what we have to look at is what they're spending now because they refuse to do anything. The money that they're spending to take care of these children from the north — and I'm just talking money here, I'm not talking about the agony, the suffering; I'm not talking about the traumas that these children go through because nothing is being done — I'm just talking about money in his government's pockets. That they have to fly children down here to treat them for medical ailments that may well, in fact, have been created by the lack of proper dental care. Okay, now he has said that, the Minister has said that, Mr. Chairman, and I agree with the Minister on that.

So it would be a hard process, it would be a hard procedure for him to statistically say, "We spend so many dollars because of lack of proper dental care in the treatment of medically ill children in Winnipeg." But I would ask him to — well, he has acknowledged — that it does, in fact, exist; that they do spend money that they might not have to spend otherwise. If he were to put the program in the north now, if he were to commit himself to doing that program post-haste, as soon as possible in the northern school divisions, and not wait for this experiment, which may or may not work, and if it doesn't work then we've wasted time there, so we've wasted time that didn't need to be wasted and we've wasted it at the expense of northerners.

So I'm asking him again, I'm going to stand up one more time and ask him, will he — yes or no, yes or no — put that program into the north immediately?

**MR. SHERMAN:** Mr. Chairman, it would be less than honest of me to say to my honourable friend, yes, I'll put that program into the north immediately. All I can say to him is, it will be my intention to see that this government puts it into the north as quickly as we can.

The difficulty, in part, stems from the difficulty of getting supervising dentists to do the supervising job that needs to be done in the north. It's my understanding that when the Children's Dental Health Program people were talking to Turtle Mountain School Division, prior to Turtle Mountain's opting for an experiment with the private profession, that the program personnel gave the Turtle Mountain School Division the impression that one of the main reasons — if not the main reason — why the decision to go into the north was a decision that was further down the priority scale than some other parts of the province, was because of the difficulty — if not nigh onto the impossibility — of supplying supervising dentists to do that work in the north. So, it's a difficult problem.

We've got to get dentists who will go in there, not just dental nurses. We've got to be prepared to spend money. I agree with the Honourable Member for Churchill, we've got to have some kind of an incentive program. We're looking at these things in the field of medicine, through some of the recommendations of the Medical Manpower Committee, at this moment, and I will give him the undertaking that we will be no less diligent in our pursuit of a solution to the shortage of dentists in the north than we will be in our pursuit of a solution to the shortage of doctors. Beyond that, I simply cannot, in all honesty, make him any promises at this particular date on the calendar.

**MR. CHAIRMAN:** (h)(1)—pass — the Honourable Member for Churchill.

**MR. COWAN:** Thank you, Mr. Chairman. The Minister says that they'll be no less diligent in their pursuit of bringing dentists to the north or encouraging dentists to move into the north as they will be in encouraging doctors to move into the north, and that worries me because we have a case that is gaining much publicity inside and outside this House, in the Snow Lake case. I would understand that there is presently not a doctor in Snow Lake, irregardless of all the efforts of the Minister, that he has been very diligent. I do not cast any aspersions upon his diligence or upon his attempts or his ability. I recognize that it is a difficult difficult process. At the same time, the fact remains that there is no doctor in Snow Lake, that there is no dentist in Snow Lake, and we cannot let that situation remain as it is. We must do something, we must do it now and our government must come up with a plan that we consider to be a workable plan. I would ask the Minister if he has a list, or if he has any knowledge of dentists already operating north of the 53rd, to use a geographical barrier, does he know how many dentists are operating and in what communities north of the 53rd?

**MR. SHERMAN:** I could certainly get that information, Mr. Chairman, I don't have it offhand. I know there's one now operating out of Lynn Lake. The honourable member has already referred to him. There's at least one or two operating in Flin Flon, but I'd have to get that information for the

member.

I'd just say to him that I suppose it's a judgment decision, and probably all governments in Manitoba since the province was colonized have gone through it, as to how you establish the infrastructure in the north that is going to give you the appeal and the attraction that you need to get professionals to go in there. Many governments have taken the tack that the first thing necessary is to build up an economic base and then the other benefits and requirements and services will come.

We don't have that economic base yet. I don't think that the Honourable Member for Churchill would want us to reduce or diminish any efforts or any funds or any energies, that might be designated for expenditure in that direction, because it seems to me that that's the base that has to be built first. We haven't succeeded in the last 100 years, and we still have to come up with a solution to that challenge.

In the meantime, while awaiting that, all we can do is try for incentive programs and certainly those are very much in the contemplation of the government at the present time.

The Snow Lake situation is one that has gone on for a long time, as the honourable member knows, and certainly other governments have had difficulties with it.

The basic problem is the problem of Manitoba, I guess, that the attractions of being close to an urban centre are more substantial than the remote areas are, unfortunately. We're going to have to come up with incentive programs that will not only provide additional income but will provide support in establishing practices and provide opportunities for group practices, provide benefits such as transportation and educational opportunities and leaves. That will have to be the way we go at it until we get development sufficiently mounted in the north, to enable the north to appeal to these professionals simply on its own.

In terms of lifestyle, I'm sure it does have that appeal right now. But the problem is, the remoteness makes it extremely difficult for professionals who want to be close to educational opportunities, upgrading opportunities, convention opportunities and income opportunities. So we will have to continue to wrestle with that problem, it's not new.

I invite the suggestions of my honourable friend from Churchill as to how we may expand those incentives, how we may develop some of those incentives and get at this problem. He has experience in the north and we're certainly looking for suggestions in our conversations, both with the Dental Association and the Medical Association.

**MR. COWAN:** I would give the Honourable Minister one suggestion right now. He mentioned that professionals are staying away from the north for a number of reasons. One of the reasons was that they want to be close to educational opportunities and if the Minister would talk to his colleague and have the Inter Universities North Program reinstated in full and perhaps even extended or expanded upon, that might be one way of bringing educational opportunities back into the north that were there previously and are not there now.

I cast no blame, Mr. Chairman, on any government or any individual Minister for the situation that is resultant in northern Manitoba. I understand that the cost of the program would be substantially more to service all of northern Manitoba than perhaps to service a core area or a suburban area of the city.

I would ask the Minister if he has those figures available what it would cost to service through the Dental Program all the school divisions north of the 53rd?

**MR. SHERMAN:** I have to calculate that and give it to the honourable member, Mr. Chairman. I don't have that. We're looking at Mystery Lake, Leaf Rapids, Lynn Lake, Snow Lake, Gypsumville, Churchill. We're looking at the total number of children, ages, well 6 and 7 right now and the per capita cost of servicing those children, equipment, salaries for dental nurses and technicians, and then the supervising role of the dentists. It would be difficult to calculate, but I am sure I can do it. I can't give it to him right now.

**MR. COWAN:** Thank you, Mr. Chairman. I thank the Minister for his undertaking to calculate that. There is time. It's not necessary right at the moment.

Has the Minister or the Dental Association made any overtures to dentists currently practising in northern Manitoba to look into the possibility of taking on the role of supervising dentists, and have they given any thought to that in general, the idea of using dentists already situated, already located, in the north in the role of supervising dentists for the program?

**MR. SHEAN:** There is one in Lynn Lake who has expressed willingness to function in that capacity.

We haven't had any luck with the dentists in Thompson in attracting their participation.

**MR. COWAN:** Well, seeing as how there is one in Lynn Lake then who would be willing to take on the role of a supervisory dentist, would the Minister consider putting the program into the school division of Lynn Lake, and would the Minister consider putting the program into any school division where we can come up with a dentist, who would be volunteering or would be willing to take on the role of a supervisory dentist? Would the Minister be willing to do that as soon as possible or immediately?

**MR. SHERMAN:** Certainly, it is not long that we have had a dentist in Lynn Lake as the honourable member knows, and as we get dentists in the north we are certainly going to be talking about that, taking on that supervisory role. He has agreed to do it on a part-time basis. So those conversations are underway and that can certainly be explored more fully.

**MR. CHAIRMAN:** (h)(1)—pass — the Honourable Member for Churchill.

**MR. COWAN:** Thank you, Mr. Chairman. Is it acceptable to the Minister that the dentists do it on a part-time basis, and would it be acceptable to the Minister to have dentists do it on a part-time basis in other communities in the north?

**MR. SHERMAN:** I think so, particularly in the kinds of circumstances that the Honourable Member for Churchill has referred to.

**MR. CHAIRMAN:** The Honourable Member for Churchill.

**MR. COWAN:** Thank you, Mr. Chairman. I ask the Minister, what is holding us up — if we have dentists who are willing to do that and I am sure there are dentists in other communities who would be willing to do that, I can't speak on their behalf, but I would be surprised if there were not dentists in other communities who were willing to do that — what is holding up the program in northern Manitoba then?

**MR. SHERMAN:** What is holding up the program in northern Manitoba is the Budget, Mr. Chairman. The honourable member can see the amount of money being voted for the program. That will enable us to accommodate the dental nurses coming out of Wascana College in Regina in June. It will enable us to maintain the program in the 29 divisions that we are in and expand in 8, and it will enable us to fund the pilot project in Turtle Mountain. When we have more in the appropriation, more in the vote, more money available, we will be moving into northern Manitoba.

**MR. COWAN:** Yes, thank you, Mr. Chairman. I remember listening to the Minister partake in the discussion, explain his position late last week or the middle of last week in regard to this, and he said that his government and he were not willing to rush, and I think I am using his word "rush", into a program that would take a commitment of some \$10 million to operate and I assume that would be for the complete and total program under the present costing procedures. And yet, Mr. Chairman, they were willing to rush, they were willing to call a special Session to rush into this House to take off a number of taxes that perhaps, okay perhaps could have been used to finance programs of this nature.

In other words, I am disillusioned again, Mr. Chairman. It is not a matter of the money is not there, it is a matter of prioritizing, and their priority was to take off the succession duty. Their priority was to take off the gift tax. Their priority was to reduce taxes on the wealthy people of this province, and because they did that, then they had to cut back on programs for the poorer people in this province, and that is just not satisfactory to me, Sir. —(Interjection)— The Member for Ste. Rose says it's not acceptable. It is not acceptable, I wish I could change their minds. I am trying to change their minds, it is not an acceptable way to run a government that you. . . —(Interjection)— The Minister asked me what programs have they cut back. The Minister has asked me what programs have they cut back. Is he asking me what program — we switched roles — has he asked me what programs that they have cut back, his government has cut back, or his department has cut back? —(Interjection)— His department. Well, the department we are talking about right now according to the figures given to me by the Minister would be operating in Rhineland, Garden Valley, Pembina, Mountain, Tiger Hills and Western School Divisions, and would be starting to operate in this fiscal year in all the rest of the school divisions. That to me is a cutback, and that to the people in Lynn Lake is a cutback. —(Interjection)— I don't doubt that there was a change in government and I don't doubt that the philosophies of the governments are different and. . .

**MR. SHERMAN:** Are we committed to doing what you were going to do?

**MR. COWAN:** We have seemed to reverse roles, Mr. Chairman, and the Minister asked me if they are committed to doing what we were going to do. No, but they should be committed to providing the best services . . .

**MR. SHERMAN:** Don't say it is a cutback.

**MR. COWAN:** They should be committed to providing the best services to the people of this province that they can. —(Interjections)—

Mr. Chairman, thank you. Whether or not semantically, it is a cutback is a point that we can probably debate for a long time and I don't think we have the time or energy to do it. But what is a fact, Mr. Chairman, is that there will not be a Dental Program in northern Manitoba this year or next year, and that fact is unalterable until that Minister says we will put the program there. And he says we can't put the program there the other day, because we don't have the money. And I am saying he doesn't have the money because he took some taxes off of some wealthy people that could have provided at least some of the money and we will find out how much it would cost to put that program into the north. But I am sure had they just left the succession duties on it would have more than provided for putting that program in the north.

I think that is more important. I think that getting that program into the north, taking care of the needs of the north, that we both agree are immediate, that we both agree are momentous, taking care of those needs should be our priority, not taking the tax off the wealthy, and I don't want to debate ideology, because we can debate ideology for a long time and we will choose not to agree. We will agree to disagree for time immemorial.

So I don't want to get into that debate, but what I do want to see happen is this government start to look at priorities of people who have the most need. I am saying right now in this province, northern residents have perhaps the most need for adequate dental care. It is not there and it is not accessible to them, and they are remote and it is a long distance to get them. He says children are getting sick because of the lack of dental care and I agree children are getting sick because of the lack of dental care. Children are not learning proper dental habits and never will, because once you lose them they are lost. Once you don't teach them, once you choose to spend two years not teaching the six and seven year olds they are lost, they are lost to that program.

So what he is doing in effect is — unless he is going to stand up here and say, "Okay, the program is for six and seven year olds, but because we are not putting the program in the north for this year, when we do put it in the north we will retroactively co-opt those people, and then they have only lost a couple of years. We will retroactively co-opt those people into the program. In that case they have only lost a couple of years." But they still have lost those couple of years and I don't suggest that they are going to do it, I don't think they are going to do that.

So what they are doing by saying that we are not going to put the program in the north now because we are not willing to commit ourselves to a program of \$10 million. We are not going to rush into that commitment.

I suggest to them, don't commit themselves to do the whole program right now if they feel that they can't, to do their Turtle Mountain experiment, but in the meantime put something in the north where nothing presently exists, to do that, and don't tell me the Budget doesn't allow for it. They are the ones who made up the Budget. They are the ones who prioritize. They are the ones who decide.

So when he tells me that the Budget doesn't allow for it, I find that, as the Member for Ste. Rose said, unacceptable. He can make the Budget allow for it and there are ways and he knows ways better than I do to put that program into the north, and I am saying, I am asking him, I am imploring him, I am beseeching him, to use his options to put that program in northern Manitoba immediately, so that we don't lose those people, because there is no other option for them.

The private profession has failed them and he agrees; his government is going to fail them if they fail to put this program in the north.

**MR. SHERMAN:** Mr. Chairman, I don't take exception to the Honourable Member for Churchill putting the case for his constituents and his constituency. That is part of his job, he does it, has to do it for Churchill, and for the north, the same as I have to do it for Fort Garry; or he is pleased to do it for Churchill and the north, the same as I am pleased to do it for Fort Garry. That is politics, I accept that, but he knows as well as I do that he can't stand there and tell me that because

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as he put it we took taxes off the wealthy — which is a premise that I don't accept, but I am saying as he put it — and that means we cannot now put this program into the north, because he knows as well as I do that even if the taxation changes hadn't been made, even if there were more revenue in the Budget, he has got no guarantee that that money would have gone into the Children's Dental Health Program in the north, and neither do I have any guarantee.

That isn't the way the establishment of the Budget and the establishment of the departmental Estimates, and the divisional and branch Estimates within a department work. We looked at the program, we said we do not agree with the philosophy, we agree with the concept, we want to involve the private profession, we haven't got the money to expand into these other — is he saying to me that we should go into one school division in the north and none of the others? That we should go into one particular pocket, one particular community, his community of Churchill, when there are 57 members in this House who have all got particular community expectations, wants and needs, and requests. That isn't the way it works. If there were extra money in the Budget he has no guarantee that that would be going into the Children's Dental Health Program in the north. It might be going into child abuse; it might be going into open-heart surgery; it might be going into mental retardation; it might be going into a personal care home in a community that either desperately needs one or desperately wants one. It might be going into renovations to the Health Sciences Centre. It is not that simple to simply say that that money could have been preserved in some form and then directed into Churchill. We will take a program into the north, not just into Churchill, but into the north when we are agreed on the philosophy behind the concept and the philosophy will be worked out in discussions with the Manitoba Dental Association in the next few months.

**MR. CHAIRMAN:** The hour being 5:30, I am now leaving the Chair to return at 8:00 p.m.