

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 16, 1979

Time: 2:30 p.m.

**OPENING PRAYER** by Mr. Speaker.

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell).**

## PRESENTING PETITIONS

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

**MR. DON ORCHARD:** Mr. Speaker, I beg to present the Petition of Rossmere Golf and Country Club Limited, praying for the passing of An Act to Grant Additional Powers to Rossmere Golf and Country Club. That, Mr. Speaker, is on behalf of my colleague from Crescentwood.

**MR. SPEAKER:** Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills.

## ORAL QUESTIONS

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

**MR. SIDNEY GREEN:** Mr. Speaker, I'd like to direct a question to the Honourable Minister of Mines. In view of the weekend reports which outline very serious flooding in the Red River Valley south of Winnipeg, can the Minister advise whether there are any emergency precautions now being taken, or whether there is any expectation of any difficult situation for people in the Red River Valley in our province.

**MR. SPEAKER:** The Honourable Minister of Mines, Resources and the Environment.

**HON. BRIAN RANSOM (Souris-Killarney):** Yes, Mr. Speaker, it is my understanding that the Emergency Measures people have been in touch with the various municipalities that might be involved. Any municipality that it's predicted might have a problem has been advised of that, and there will be further updating of the situation available tomorrow.

**MR. GREEN:** Mr. Speaker, may I ask the Minister whether he has been able to obtain any useful information from the several evaluations that have been made on flood-fighting procedures in the Province of Manitoba, which were made after the event in the past two or three years — whether any of that information is now being used in dealing with new, possible flooding situations.

**MR. RANSOM:** Mr. Speaker, I am advised that the people involved in dealing with fighting floods have indeed been able to learn from the experience of previous years, that as situations arise and the means of dealing with those situations have found at all to be lacking, then naturally they learn from those experiences.

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

**MR. A.R. (Pete) ADAM (Ste. Rose):** Yes, thank you. I would like to ask the Minister of Mines a couple of questions on the flooding. I received a call from the Carman area today expressing concern about the Boyne River flooding. I am wondering if the Minister could advise us what the situation is so far as the Boyne River, and also the Turtle River?

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

**MR. RANSOM:** Mr. Speaker, I don't have the detailed information at hand as to the specific situation in each river drainage area, but the local authority involved in that situation should certainly have been contacted by the Emergency Measures Organization, and should have been notified through them or directly by my people as to what is expected in that particular situation.

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

**MR. ADAM:** Yes, it's not a supplementary, Mr. Speaker. I have a question for the Minister of Agriculture.

I would ask the Minister if he could advise the House when the Livestock Industry; the Packing Industry and the retail outlets will be converting the Meat Industry to the Metric system?

**MR. SPEAKERS:** Orders of the Day. The Honourable Member for Ste. Rose.

**MR. ADAM:** Yes, Mr. Speaker, I believe the Minister of Agriculture was involved with something else; he didn't hear me address him. I would repeat my question, and ask the Minister if he can advise the House when the Meat Packing Industry; the packing houses and the retail outlets, will be converting over to the Metric system?

**HON. JAMES DOWNEY (Arthur):** Mr. Speaker, the only information that I have had to date is that there is plans to convert over to the Metric system in the Packing House Industry on the 1st of January in 1980.

**MR. ADAM:** Thank you, Mr. Speaker. With a supplementary question to the same Minister, I wonder if he could advise the House if there will be any problems relating to export and import of livestock from the United States in the event that they do not convert to the Metric System as well?

**MR. DOWNEY:** Other than an inconvenience for those people who are directly involved, I don't see any major problems, Mr. Speaker.

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

**MR. RUSSELL DOERN:** Mr. Speaker, I would like to direct a question to the Minister of Urban Affairs, and ask him whether any provincial agency is involved in monitoring the 28 landfill sites in Winnipeg, where there has been a danger of methane gas?

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

**HON. GERALD W.J. MERCIER (Osborne):** Mr. Speaker, I would have to take that question as notice, or otherwise refer him to the Minister of Mines and Resources under whom the Clean Environment Commission may be involved.

**MR. DOERN:** Mr. Speaker, I would like to ask the Minister if he could comment on the statement made by a member of the city's legal department, that the city has had to combat this problem on its own without any assistance from the senior levels of government. I would refer in particular to some \$272,000 spent on studying this problem, and \$3 million spent on acquiring 5 industries in the former industrial park. Is there any senior government assistance or interest in this problem?

**MR. MERCIER:** Mr. Speaker, the city of Winnipeg has not requested any assistance from our level of government.

**MR. SPEAKER:** The Honourable Member for Elmwood with a final supplementary.

**MR. DOERN:** Mr. Speaker, I'm just wondering if the Minister intends to provide any leadership or whether he intends to raise this matter with the city? They are apparently struggling with this problem. It has been going on for a long period of time and there is some concern on the part of the city today. Is the minister prepared to initiate any discussions or commence any leadership?

**MR. MERCIER:** Well, Mr. Speaker, if the City of Winnipeg feels that we could be of some assistance to them in this area, I think we'd most certainly be prepared to discuss it with them and do what

we could.

**MR. SPEAKER:** The Honourable Member for Elmwood with a fourth question.

**MR. DOERN:** Mr. Speaker, I'd then ask the minister, in view of the problem associated with landfill sites, in terms of danger to surrounding homes and businesses and schools, whether the province is prepared to re-examine the Amy Street steam plant, which is about to be closed and then will presumably be replaced by another landfill site.

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

**MR. MERCIER:** As I have indicated, Mr. Speaker, we're prepared to discuss this matter with the City, but to date, we have received no request to have us pursue it with them.

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

**MR. PETER FOX:** Yes, Mr. Speaker. I'd like to direct my question to the Minister of Labour, in view of the fact that he gave us a commitment that in two weeks time he would announce something in respect to the minimum wage. Can he inform us now, what day this week he will make the announcement?

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

**HON. KEN MacMASTER (Thompson):** I expect to make an announcement this week, Mr. Speaker.

**MR. FOX:** I realize that, Mr. Speaker, I said what day this week?

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

**MR. HARVEY BOSTROM:** Thank you, Mr. Speaker. My question is to the Minister of Highways and is with respect to Provincial Road 304, which is north of the Winnipeg River reaching as far north as Bissett. Apparently several areas of that road have become impassable over the week-end due to softening conditions in areas where there has been some new construction. My question to the minister is, when will his department be taking action to repair the road, so that it will be passable for the residents who live in that area?

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

**HON. HARRY J. ENNS (Lakeside):** Mr. Speaker, regrettably this time of the year, there are too many roads that are in rough condition as the spring thaw commences hopefully. I'll take the particular road in question to the department and find out, if in effect, some immediate repairs can be effected, although again, that will be subject to the state of the weather in the next few weeks.

Mr. Speaker, while I'm on my feet, perhaps I can answer a question that was directed to me in my absence on Thursday last, having to do with the weight restrictions that were announced by me last week that will be in effect on Manitoba roadways starting tomorrow. But I want to assure the Honourable Member for Virden, that the language on the signing will be bilingual, that is metric and English.

**MR. BOSTROM:** Mr. Speaker, to the same minister, I wonder in his capacity as Minister responsible for airports in northern Manitoba, if he yet has an answer for me on a question which I raised approximately a week ago regarding the airport at Norway House, and whether or not the provincial government is considering changing the regulations respecting the type of aircraft that can land on that airstrip thereby possibly reducing the service to that community?

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

**MR. ENNS:** Mr. Speaker, I apologize to the member for not having that information for him. I have asked the Transportation Division of the department to supply me with that information. I should be able to give it to him tomorrow.

**MR. BOSTROM:** Mr. Speaker, a question to the Minister of Resources. Given the weather conditions that we've had in the province over the past several weeks, and given the type of problems the deer population in Manitoba suffer as a result of those weather conditions, can the Minister give us any indication what the impact has been on the deer population in Manitoba? Does his department have any statistics on that? Have any surveys been done to determine the impact?

**MR. SPEAKER:** The Minister of Natural Resources.

**MR. RANSOM:** Mr. Speaker, no final evaluation has been made in terms of what the impact of the winter would be, but we do know at this stage that it will have been more serious than we would expect in a normal winter; in some cases losses may run as high as 40 percent. The department has undertaken some rather small-scale emergency feeding operations within the last week or two in order to try and help some localized populations of deer through the winter.

**MR. SPEAKER:** Orders of the day. The Honourable Member for St. Vital.

**MR. D. JAMES WALDING(St. Vital):** Mr. Speaker, my question is to the Honourable Minister reporting for Manitoba Hydro. Does the Minister have an answer to the question that he took as notice from me last week, having to do with Hydro's purchase of a membership in the Manitoba Club for one of its senior employees?

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

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, I did answer that, I believe. I wonder, Mr. Speaker, if the member could ask which portion of the question he's pursuing.

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

**MR. WALDING:** Yes, for clarification, Mr. Speaker, I wanted to know from the Minister whether Manitoba Hydro is one of the agencies referred to in the General Manual of Administration.

**MR. CRAIK:** Mr. Speaker, the legal advice on it is that the agencies — does not generally include the Crown corporations. There are two sections referred to in the Manual of Administration. Under applicability, scope and limitation in the preface, it refers to the departments and agencies and then it separates out, as a separate designation, departments, agencies and corporations. Now, departments and agencies report by way and are responsible by a ministry, and the corporations report through a ministry, so many parts of the Manual of Administration do not, in fact, apply directly to the Crown corporations. So therefore, in strictly legal terms, the general conditions of the Manual of Administration cannot be applied directly to the Crown corporations. Mr. Speaker, that therefore would indicate that with regards to such matters as the memberships and activities of that nature that may be decided by the board of one of the corporations, such as the Liquor Control Commission, the Telephone System, and Manitoba Hydro and so on, being decided by the board of that particular corporation. Those kinds of decisions would not come under the General Manual of Administration, which the Minister through whom one of those boards or those Crown corporations reports, then would not in fact be exercising that kind of an administrative guideline through the particular corporation.

**MR. WALDING:** A supplementary question, Mr. Speaker. Is the Minister then telling us that decisions taken by the Board of Manitoba Hydro are outside of the responsibility of this Minister?

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

**MR. CRAIK:** Well, Mr. Speaker, yes on that particular matter.

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

**MR. WALDING:** Another supplementary question, Mr. Speaker, that I asked the Minister last week. Could he inform the House and the people of this province, of what benefit it is to the people of Manitoba for Manitoba Hydro to purchase a membership in the Manitoba Club for one of its senior employees?

**MR. CRAIK:** Well, Mr. Speaker, having not made the decision with regards to whether or not any member of the Board of Hydro, or I guess it's not the Board, Mr. Speaker, it's the administration of Hydro, which I gather has had one or more memberships in one or more clubs for the last many years paid for by the utility. I can only presume that they have made that decision because they thought it was in the business interests of the corporation to do so. And I would think that that would apply to the Boards and Commissions generally, if in fact, they have seen it in their wisdom or otherwise the proper kind of thing to do. I have to refer any further questioning on that to the Chairman of the Board as they appear before the Commission or the Public Utilities Committee or whatever Committee they appear before.

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

**MR. HOWARD PAWLEY:** Mr. Speaker, further to the Minister of Finance, is the Minister of Finance indicating, according to his answer, that membership may be legal, that at the same time there is no conflict in spirit between membership from the Crown Corporations in various social and fraternal clubs such as the Manitoba Club?

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

**MR. CRAIK:** Well, Mr. Speaker, all I can say is that the Manual of Administration which has been pursued as being the basis for whether or not they come under the responsibility of the ministry, is, in the opinion of the legal advice I receive, outside the Manual of Administration and in the hands of the particular Board. This government has never seen fit or seen the necessity to establish a policy as to whether or not that type of decision making was important enough to require a change that would require the government to set a policy for the Crown Corporations, and that's simply as far as the matter goes. I do want again to repeat for the members that it has been a practice of some Crown Corporations at least — I don't know how many, because it would not appear to be of any great import as far as the government is concerned to determine this — but one or more of the Crown Corporations has for many years had one or more members of its staff in a membership of one or more clubs that they apparently thought was to their advantage.

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

**MR. PAWLEY:** A further supplementary question, can the Minister advise whether or not there was any consultation by him with the Provincial Auditor as to the legality of such investment in memberships in various social fraternal clubs?

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

**MR. CRAIK:** Well, Mr. Speaker, the question to me was a legal question. Perhaps I was even pushing it a little farther to obtain some legal advice on it, but the information that I have received is from the Legislative Counsel who I think the Leader of the Opposition would agree has a pretty good grasp of matters such as the Manual of Administration. With regard to the Provincial Auditor, that of course would come secondary, and if the legal counsel felt that there was not a legal requirement for it, I found no reason to check with the Provincial Auditor and therefore haven't, of course.

**MR. PAWLEY:** Supplementary. Is the Minister then indicating that it will be government policy not to intervene insofar as the provision of policy directives on membership in various social fraternal clubs to the extent that the amount so invested, the membership so taken out may be limited or unlimited on the part of his Crown corporations?

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

**MR. CRAIK:** Mr. Speaker, if the government is to get into that sort of a revision of the Manual of Administration, I can only say that they would have to, I would think, involve an expansion of other matters that would probably fall into the same category as memberships in clubs and organizations and so on, that I don't think offhand, Mr. Speaker, and it's probably dangerous to say offhand because the government hasn't dealt with this question, but offhand I would think that if one were to say that the members of Hydro for instance shouldn't be involved with the Institute of Electrical Engineers Association or the many other type of institutional things or the mid-area power planning group in the United States, which is an exchange device for information, I think that you could not restrict your curtailment if you so desired, to such things as purely social clubs.

I think there are a myriad and a host of organizations that would probably fall, not in that category, but in categories that you could not avoid examining if you wanted to say to your Crown corporations, "We are going to decide what specific areas that you can become involved in." I think that, really, Mr. Speaker, it would then certainly reduce in that case the arm's length relationship that the Crown corporations, I think in the eyes of the public, want to see kept between government and the day-to-day operation. However, Mr. Speaker, I want to reiterate that we haven't found it necessary to examine or re-examine this policy, simply, it seems clear on the advice of the Legislative Counsel that the manual in this case does not apply and therefore that means that neither the former government nor ourselves were in any breach of the manual by not dealing with that particular issue.

**MR. PAWLEY:** Mr. Speaker, in connection with the Manual of Administration, there's a clear distinction, I'm sure the Minister will concur, between those groups, clubs and organizations that are of a trade or professional nature which relate to the particular department or agency and those of a social or fraternal organization or club. I wonder if the Minister can advise what other clubs of a fraternal and social nature that Manitoba Hydro is a member of, besides the Manitoba Club.

**MR. CRAIK:** Mr. Speaker, I think that the member will be well advised to direct that question to the Hydro administration itself, because I may, in fact, not include a complete list of clubs that they may have a membership in.

**MR. PAWLEY:** Is the Minister prepared to undertake a complete and full review of memberships by Crown Corporations in organizations and clubs of a social or fraternal nature? Is he prepared to leave this entirely to the boards of directors of Crown Corporations as to the extent that they invest taxpayers' moneys in clubs such as the Manitoba Club?

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

**MR. CRAIK:** Well, Mr. Speaker, in that case I would be exercising by requesting that information, automatically a provision that does not exist in the Manual of Administration. I would probably create more waste by making requests of that nature than the benefits that would come out of it. So, Mr. Speaker, I would think that the best procedure would be for, as has already been done in the case of MPIC, and now of Hydro, Telephones — ask the people directly when they are before the Public Utilities Committee or whatever particular committee they report to — ask them specifically what clubs they belong to, and that would be the most proper way. Then the members have direct access to the direct information.

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

**MR. GREEN:** Mr. Speaker, in view of the Minister's acceptance of the assumption that membership in the Manitoba Club is commercially advantageous to somebody, may we accept the inverse assumption that if, for any reason, somebody was precluded from having membership in the Manitoba Club, that that would be disadvantageous commercially for those people, and they would be accordingly disadvantageously commercially discriminated against?

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

**MR. CRAIK:** Mr. Speaker, I didn't say that it was advantageous. The member has a peculiar and well-known ability to suggest that I was recommending it for commercial reasons. I said, "If the board were to decide that a particular membership in a club were advantageous to them for business or commercial reasons, that's their business." Whether it is or not, Mr. Speaker, I have absolutely no opinion to pass on whatsoever.

**MR. GREEN:** Mr. Speaker, I deliberately worded my question to fall in with the Minister's statement. Since the Minister is accepting the assumption made by his Crown Corporation Board that membership in such a club is commercially advantageous to the organization, may we infer the reverse, that if for any reason somebody was precluded from membership in that club, that they would be disadvantageously discriminated against commercially?

**MR. CRAIK:** Mr. Speaker, I can only give the member a personal comment in that I have not found that by not being a member of any particular club in the city that I have felt at any time that I

have deprived myself of commercial advantage.

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

**MR. SAUL CHERNIACK:** Thank you, Mr. Speaker. The Honourable the Minister of Highways has pointed out that there's been some comment in the Brandon Sun regarding the sign which said "Orbit 10 Seconds" on the highway, and to the extent that my raising the point may have been a source of embarrassment to him, of course, I wouldn't want that to happen. I would use a much better example if I wanted to embarrass him in any way. However, it does occur to me, having seen the — I believe it's the most recent highway map, Mr. Speaker, to ask the Minister, since I found on the kilometer map of Manitoba both his picture and the picture of an Orbit in reference to throwing trash into Orbit, I want to congratulate him for so quickly making the correction. How can he explain the fact that the same map advertises Manitoba Moods at \$4.00 a subscription, and an address to which to write in — is the Minister, or the Minister of Tourism embarked on a program of re-invigorating Manitoba Moods? Or is that false advertising, to be distributing that information?

**MR. SPEAKER:** Orders of the day. The Honourable Member for Churchill.

**MR. JAY COWAN:** Thank you, Mr. Speaker. My question is to the Minister of Labour. Can the Minister confirm that he has received a request from the workers at the Simon-Day plant that is located next door to the Canadian Bronze plant, asking him to order an investigation into pollution from Canadian Bronze that is being sucked into the Simon-Day plant by their ventilation system, and also asking him to investigate what they consider to be lead fall-out on their cars in the parking lot during their work shift?

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

**MR. MacMASTER:** I haven't seen the correspondence, Mr. Speaker, but I can only assume that the Member from Churchill knows it's coming, and when it comes I'll be prepared to comment on it.

**MR. COWAN:** Thank you, Mr. Speaker. Well, it's my understanding that it was sent last week, so the Minister should have it within his office at this time, if not previously.

I would ask the Minister if there is any indication to extend his department's investigation into the serious lead poisoning crisis in the province to other industries that have known conditions that could result in excessively high levels of air-borne lead in the workplace and environment, such as printing workshops and salvage operations where lead batteries are broken down, etc.?

**MR. MacMASTER:** Mr. Speaker, the preface, "in relationship to the serious lead crisis," I don't necessarily agree with that particular preface, but I have said to the member before, and to this House, that the program that we have in place now, with the particular industries we're dealing with now, is only a starting point, that we will be expanding the program.

**MR. SPEAKER:** The Honourable Member for Churchill with a final supplementary.

**MR. COWAN:** Thank you, Mr. Speaker. I would ask the Minister, then, to be more specific as to what industries he'll be looking at next, and when they will be extending that program. I would also ask the Minister if he is prepared to table the Terms of Reference of the special Cabinet Committee that has been formed for the purpose of studying this lead poisoning crisis in the province, and can he confirm that one of the areas of concern to that committee will be a study of the possibility of calling for a Royal Commission to investigate the problems in the lead-using industries, so that we once and all may find out the extent and the nature, the full nature of this problem?

**MR. MacMASTER:** I've said before, Mr. Speaker, I don't believe there's a necessity for a Royal Commission at this particular time.

**MR. SPEAKER:** The Honourable Member for Churchill with a fourth question.

**MR. COWAN:** Yes, well, it's actually a follow-up to the last question, Mr. Speaker. I would ask the Minister if he could answer the first part of the question. Is he prepared to table the Terms of Reference of the special Cabinet Committee that has been put into effect to study the non-existent

crisis?

**MR. MacMASTER:** Mr. Speaker, this committee is carrying out meetings right now.

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

**MR. BRIAN CORRIN:** Mr. Speaker, my question is for the Honourable Attorney-General. I would ask whether the Minister could advise us of whether or not there is in existence any review mechanism for revising eligibility guidelines for the Legal Aid Society of Manitoba?

**MR. MERCIER:** Yes, there is, Mr. Speaker.

**MR. CORRIN:** Well, perhaps in that case the Minister, and I ask the Minister if he could elucidate by advising us what mechanism now exists, and while he's doing that, perhaps he could confirm that the two-year freeze that has existed with respect to eligibility guidelines has apparently just recently been lifted, and that the increases with respect to eligibility are only some 6 and 7 percent over the level set in place by the former government in 1977, and I would ask him if he could confirm that during the same period, the same two-year period, the cost of living in this province appreciated by some 18 percent?

**MR. MERCIER:** Mr. Speaker, I'll take that question as notice and undertake to review that matter and obtain the detailed information requested by the member.

**MR. SPEAKER:** The Honourable Member for Wellington with a final supplementary.

**MR. CORRIN:** Yes, if the Honourable Minister is taking that as notice, Mr. Speaker, I would ask that he also take under advisement my request, and the request of members on this side of the possibility that he would intercede, and consider with the appropriate authorities and the members of his department the possibility of the expansion of the eligibility guidelines to parallel the cost of living increases over the past two years?

**MR. SPEAKER:** Orders of the Day. The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS:** Thank you, Mr. Speaker. I'd like to address a question to the Minister responsible for the Manitoba Telephone System, and ask the Minister, Mr. Speaker, if he can confirm that the 18 communities in western Manitoba, that had expected to receive cable television by the end of 1979, will now not be receiving cablevision by the end of 1979?

**MR. SPEAKER:** The Honourable Minister responsible for Telephones.

**HON. EDWARD MCGILL (Brandon West):** Mr. Speaker, I cannot confirm the statement that the member has made.

**MR. EVANS:** Thank you, Mr. Speaker. Can the Honourable Minister responsible for the Manitoba Telephone System confirm that Manitoba Telephone System has not yet got around to ordering the hardware and equipment which is necessary for the Westman Media Co-op, to extend the cablevision to the 18 communities in western Manitoba.

**MR. MCGILL:** Mr. Speaker, as Minister responsible for MTS, I'm not able to comment in any detail on what material has been ordered, and what has not been ordered, so I cannot confirm the statement made by the member.

**MR. SPEAKER:** The Honourable Member for Brandon East with a final supplementary.

**MR. EVANS:** Thank you, Mr. Speaker. I wonder whether the Minister would take it upon himself to look into the matter to see whether it is the case that the Manitoba Telephone System is holding up, is delaying the extension of cablevision to these 18 western Manitoba communities, and if this is the case, would he use his good offices to somehow or other stimulate action on the part of MTS so that no further delay take place than is absolutely necessary.

**MR. MCGILL:** Mr. Speaker, the member has, over the past few weeks, asked a number of questions relating to the reasons for the delay in the extension of cablevision service to a number of western communities. These delays were not related directly to the ordering or not ordering of material.

I could simply remind the member, Mr. Speaker, that the delays were related to the need for the ACCOM, that is the Association of Commercial Cable Operators in of Manitoba, of reaching some decision with respect to rate equalizations; to my knowledge, Mr. Speaker, that matter has not been completely resolved, so the position has not appreciably changed since his previous questions.

**MR. SPEAKER:** The Honourable Member for Brandon East with a fourth question.

**MR. EVANS:** Thank you, Mr. Speaker. Well, I would refer the Honourable Minister to the news report of today, indicating that agreement has been reached, and that the Manitoba Telephone System is indeed holding the . . .

**MR. SPEAKER:** Order please, order please. May I point out to the honourable member that it is not the purpose of the Legislative Assembly to ascertain whether or not a report in the paper is true. The Honourable Member for Brandon East.

**MR. EVANS:** Mr. Speaker, I would ask again the question that I put to the Honourable Minister, would he take it upon himself to look into the matter, and ensure that no delays are being caused by the Manitoba Telephone System, as is now being reported in the paper; due to the lack of ordering of the necessary hardware and equipment required for the extension of cablevision in western Manitoba?

**MR. MCGILL:** Yes, Mr. Speaker, we'll be certainly interested, as he is, in any action that can be taken to eliminate the delays that have been occurring, whether they be related to the ordering of equipment or to the final resolution of the question of rates. There have been some reports recently in the press, I'm not able to confirm or deny their authenticity, but certainly we will review them, and I hope — as the member does — that there will be an early resolution of the problems confronting this particular area.

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

**MR. DOERN:** Mr. Speaker, I would like to ask the Attorney-General whether he can now report on his findings in regard to a review of the Ombudsman's report which alleged that there were provincial government violations in the holding of juveniles?

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

**MR. MERCIER:** No, I cannot, Mr. Speaker.

**MR. DOERN:** Mr. Speaker, I would ask the Attorney-General if he could indicate what the problem is in terms of his report, since it was two months ago that he took this question as notice?

**MR. MERCIER:** Mr. Speaker, this matter is under review by myself, Acting Minister of Government Services, and the Minister of Health and we expect shortly that we will be able to advise the member on the answers to his questions.

**MR. SPEAKER:** The Honourable Member for Elmwood with a final supplementary.

**MR. DOERN:** Mr. Speaker, I would ask the Minister of Health whether he has met with the Ombudsman, or whether he is aware of any other member of the government front bench meeting with the Ombudsman since the issuance of his report?

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

**HON. L.R. (Bud) SHERMAN (Fort Garry):** I'm not sure that we've met since the issuance of his report, Mr. Speaker; we certainly met prior to . . . very close to the time of the issuance of his report, and then I saw the Ombudsman informally at a Criminology Seminar one evening, and had a lengthy discussion with him, but that would probably not constitute the type of meeting that the

member is referring to.

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

**MR. FOX:** Yes, Mr. Speaker, I'd like to direct my question to the Honourable Attorney-General. In view of the fact that he has had a situation from the Labour Department in respect to a fatality on Mission Street in a sewer excavation, can he inform the House whether his department has come to any conclusion yet?

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

**MR. MERCIER:** No, I cannot, Mr. Speaker.

**MR. FOX:** Would the Honourable Attorney-General look into the matter and report to the House?

**MR. MERCIER:** That matter is under consideration, Mr. Speaker.

**MR. SPEAKER:** Order please. The hour for Question Period having expired, we are now proceeding with the Orders of the Day.

### ORDERS OF THE DAY

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

**MR. JORGENSON:** Mr. Speaker, I 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 of the Supply to be granted to Her Majesty.

**MR. SPEAKER:** Order please. Before I accept that, the Member for St. Vital on a matter of privilege.

### MATTER OF PRIVILEGE

**MR. WALDING:** On a matter of privilege of the House, Mr. Speaker, I have just been looking through Hansard for Tuesday, April 10th, and I note from the text that a Member of the House brought in some groceries into the House which he attempted to use as an exhibit during his remarks, and after a matter of order had been raised, you, Mr. Speaker, quoted Section 245 of Beauchesne, and allowed the honourable member to continue with his remarks.

I'd like to bring to your attention, Mr. Speaker, and to that of the House, Citation 333 of Beauchesne's Fifth Edition, — it's on Page 117 — that, dealing with exhibits, where it says, "Speakers have consistently ruled that it is improper to produce exhibits of any sort into the Chamber. Thus, during the Flag Debate of 1964, the display of competing designs was prohibited. At other times, boxes of cereal, detergent and milk powder, have been ruled out of order."

**MR. SPEAKER:** I want to thank the Honourable Member for St. Vital for bringing this to my attention. In the short period of time under debate, I was looking for that citation, but was unable to find it, at that particular time.

There is a motion before the House moved by the Honourable Government House Leader, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to her Majesty.

**MOTION presented and carried** and the House resolved itself into a Committee of Supply, with the Honourable Member for Radisson in the Chair for the Department of Health and Community Services and the Honourable Member for Emerson in the Chair for the Department of Agriculture.

### CONCURRENT COMMITTEES OF SUPPLY

#### SUPPLY — AGRICULTURE

**MR. CHAIRMAN, Mr. Albert Driedger (Emerson):** Committee come to Order. I would like to refer

members of the committee to page 8, Resolution 9, Item 4.(c)(1) — the Honourable Member for Ste. Rose.

**MR. ADAM:** Yes, Mr. Chairman, this is on a matter of privilege. I wanted to correct a comment that I made last week in regard to what I mentioned during the debates that there was a new livestock association that had been organized and I mentioned Southwest Livestock Improvement Association. It should be the Southeast instead of Southwest. It was, I believe, in the Chairman's constituency and I didn't want to leave that on the record.

**MR. CHAIRMAN:** Pass — the Honourable Member for St. George.

**MR. BILLIE URUSKI:** Thank you, Mr. Chairman. When we left off on Thursday we were discussing Vet Services in dealing with bulk purchasing of drugs. Can the Minister advise me whether, in view of the change from a revolving fund to a one lump sum amount that is voted for the Services Branch, is the Branch still continuing to purchase drugs by tender?

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

**HON. JAMES DOWNEY (Arthur):** Mr. Chairman, it has been brought to my attention that they do not purchase by tender and never have purchased by tender.

**MR. URUSKI:** Can the Minister tell me how the purchases are made; the bulk purchases? By the ton?

**MR. DOWNEY:** It is indicated to me, they negotiate a volume discount with the companies they are purchasing from, the volume discount being in relationship to the volume which they are purchasing. It's been a direct purchasing arrangement since they set it up; that's my understanding.

**MR. URUSKI:** Is the Branch continuing to purchase in the same volume quantities that they were in areas where there are large needs of specific drugs.

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. URUSKI:** In making the change, will it hamper the Vet Services Branch making the change to one lump sum in order to be able to take advantage of a large quantity sales of drugs, Mr. Chairman?

**MR. DOWNEY:** No, Mr. Chairman.

**MR. URUSKI:** The Minister does not foresee any problems in terms of companies at certain times having a large inventory and being able to offer a better discount than they would normally, and the Branch not being able to take advantage of it; is that not a possibility? .

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

**MR. DOWNEY:** Not in my estimation, Mr. Chairman.

**MR. CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** Can the Minister assure us that this type of a situation will not occur in the high volume or high through-put of drugs that are purchased by the branch?

**MR. DOWNEY:** Yes, Mr. Chairman.

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

**MR. ADAM:** I wonder if the Minister could advise just what, an estimate on what the savings are by this bulk purchasing of drugs?

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

**MR. DOWNEY:** That would be very difficult to estimate, Mr. Chairman, and I think that the member is well aware of what drugs cost from any other source. He would be able to make that comparison. I really wouldn't be able to put a figure on that — I don't know.

**MR. ADAM:** There is a saving, though, is there not, by the bulk purchasing? A considerable saving, would that be a proper way of putting it, and a proper context of putting it?

**MR. DOWNEY:** I would say because of the bulk purchasing that there is some saving to the industry.

**MR. ADAM:** We could say, then, this is a good socialistic way of buying drugs for the ranches, in which to save money. I would like to ask the Minister if there has been any progress made insofar as developing new drugs for animal diseases. There were some experiments made last year in regards to trying to come up with a new scour remedy. I'm just wondering if any progress has been made?

**MR. DOWNEY:** Yes, as far as the member referring to a good social program working, I would say that the reason that it's accepted, as far as I'm concerned as a Minister, and being involved in the drug business at all, is because of the fact that it is a drug and requires some control by licenced veterinarians and people involved in the handling of it, it's one way of controlling the health standards or health applications that are applied to livestock which could directly affect people. And there is a responsibility to have government presence in that particular field.

As far as the reference to a new drug that could control or eliminate calf scours, there is a new drug which is being developed by the VIDEO, it's Infectious Diseases Organization in Saskatoon, they hope to have a breakthrough very shortly. Hopefully there will be testing, or there has been some testing done this year. By the way, I might add that Manitoba does not participate other than through some of the producer boards. I believe the dairy industry, through the Marketing Board, do contribute something like \$10,000.00. The province does not contribute, but I would feel that in another year, we might look at some financing being put into research of that kind. As I say, it's a break-through that they hope to be able to have some type of serum that will work towards either the prevention, and I'm sure we'll be updated on that as it develops, and hopefully some of the preventative medicine or the corrective medicine that they're working on could lead to some work in the area of pig scours also.

So, I can't announce any major break-through but I have been informed that there are some major advances being made in this field.

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

**MR. ADAM:** Mr. Chairman, are all the clinics now staffed with veterinarians? Are we short of any veterinarians in our clinics?

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

**MR. DOWNEY:** No, they are not all staffed at the present time, Mr. Chairman.

**MR. ADAM:** How many are we short?

**MR. DOWNEY:** I believe two, Mr. Chairman.

**MR. ADAM:** Two veterinarians. Where are these clinics situated?

**MR. DOWNEY:** One clinic at Melita; and one at Lundar.

**MR. ADAM:** Yes. Could the Minister indicate what is the population of the livestock? What is the livestock population now that our clinics have to service? Do we have a figure there?

**MR. DOWNEY:** What type of livestock are you talking about?

**MR. ADAM:** What is the population of the livestock in Manitoba now?

**MR. DOWNEY:** Are you talking beef cattle, hogs. . . ?

**MR. ADAM:** I'm talking about all. . .

**MR. DOWNEY:** . . . poultry and that type of thing?

**MR. ADAM:** Livestock.

**MR. DOWNEY:** Oh, I see, okay. The estimated figure that has been given to me is approximately 3 million.

**MR. ADAM:** Is this a decrease from last year or an increase . . . probably a decrease, is it not?

**MR. DOWNEY:** No, I think for clarification, we're sitting with around a million beef cattle in the province; we're sitting with something like 100,000 dairy cows, rough figures. The hog population; we marketed like something like 800,000 hogs last year; we're probably sitting in the neighbourhood of a million hogs. So I would think the livestock total is between 2 and 3 million in a ballpark figure. That's quite a range but I know that those figures could be verified and I think I'm pretty close on the beef cattle and the dairy one. As far as the hog one, as I say, we marketed between 800,000 and 900,000 hogs last year and then you have your breeding stock herd, which would put us well over the million.

**MR. ADAM:** Yes, I wonder if the Minister could indicate whether the figures he has given us in regards to livestock and hogs, is this an increase or a decrease over last year's population?

**MR. DOWNEY:** As far as our beef cattle herds, we've decreased something like 6 to 7 percent, I think it is, a provincial decrease in cow numbers and breeding stock. Hogs has apparently reached the bottom; we're starting to produce a few more, as I say, we dropped something like 800,000 or a little below last year. There is indication, it will be up somewhat from that this year in our marketing.

**MR. ADAM:** At the two clinics; Melita and Lundar: they're closed for all services I suppose, they're not being used?

**MR. DOWNEY:** That's correct, Mr. Chairman.

**MR. ADAM:** Are there any other clinics that may be closing?

**MR. DOWNEY:** Not to my knowledge at this time, Mr. Chairman, however, it's the human element that's involved and I am sure that if individuals. . .

**MR. ADAM:** Anyway, none to your knowledge.

**MR. DOWNEY:** None to my knowledge.

**MR. ADAM:** Yes, how long do you anticipate it will take to obtain veterinarians for these two clinics.

**MR. DOWNEY:** Well, I would hope very shortly, as soon as the process of individuals coming out of school at Saskatoon and there is an available source of new veterinarians, I would hope that it would be very short.

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

**MR. ADAM:** What is the possibility of having a veticare program? The Minister has heard of medicare, I said what is the possibility of having veticare?

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

**MR. DOWNEY:** Well, I know the member is serious and I will be just as serious when I say that this particular point, I don't foresee veticare or whatever he refers to, being introduced in the next year or two as far as I am concerned.

**MR. ADAM:** Yes, is there any intention to look into the possibility of having a brand inspection?

**MR. DOWNEY:** Brand inspection, I suppose we can discuss it here, as far as I'm concerned as a Minister I am sure that with the increased value of livestock there will be a greater concern by the cattlemen and by the police officers that are to enforce against theft in general. I think that with the provinces to the west having brand inspection that we would have to do a little more groundwork to see how effective the brand inspection has been. If the numbers of livestock taken from farmers in Manitoba is higher or lower than other provinces then we would have to consider some form of brand inspection. It is a possibility and I think that will be one of the things that you will see discussed in the coming months throughout the livestock industry. As far as making it compulsory, I think that it's one of those things that we should feel pretty comfortable that the livestock producers are supportive of.

**MR. ADAM:** Yes, is the Minister monitoring or speaking to our neighbours to the west, provinces to the west, in regard to that at the present time or is nothing being done? Is he finding out the difference of livestock rustling? In speaking to some of the members of the RCMP, who have been involved over the years specializing in the rustling of livestock, I understand that one of the biggest problems is trying to identify livestock and they feel that they are pretty well handicapped without a brand inspection and without districts set up to keep tabs on the movement of cattle from one district to the next or from farm to pasture, etc. There's been a lot of cattle rustling going on in the past when livestock were at a lower value and with the increase in value of livestock in the last year or two certainly you can look forward probably this summer to more incidents of livestock rustling. If they were worth rustling when they were less than half the price that they are today, they're certainly going to be more worthwhile to rustle in the future. I bring that to the Minister's attention because I think it's going to be a problem in future, and as I said the RCMP, I'm sure he's probably been in contact with them on this particular problem. It's something for the Minister to look at in the future, and I hope he doesn't wait too long. I hope he doesn't wait till the livestock goes down in price before he starts to come in with these programs.

We talked about artificial insemination last week. What about swine? Is there anything done in that area?

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

**MR. DOWNEY:** At this particular point, there has been no large AI program for swine. I know that at the research level there is some work being done, but no large program as far as we're concerned. There hasn't been any large amount of pressure to get into it — in fact, I think there is still some problem with the use of it and as far as we're concerned, at the research level we would be quite prepared to work with some of the people who are interested in the AI of swine.

**MR. CHAIRMAN:** The Member for St. George.

**MR. URUSKI:** Thank you, Mr. Speaker. The Minister was commenting that there are two clinics that are closed. Could he indicate how long they have been closed, the one in Lundar and the one in Melita?

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

**MR. DOWNEY:** I understand that Lundar has been since the first of March and Melita since October, that they haven't had a veterinarian at them.

**MR. URUSKI:** Are there neighbouring veterinarians able to or trying to accommodate some of the areas? I know Lundar, the Ashern area likely could probably take in some of that area, maybe even the Arborg vet if necessary. I'm not familiar with Melita, however.

**MR. DOWNEY:** I have a personal knowledge of the Melita area. There are two licensed veterinarians in the area that are not — their sole business, I guess, is not being in the veterinary business, and they are able to service the community, plus the fact that Virden is not that far away, and there are some veterinarians to the west, into Saskatchewan, that do some of the servicing into Manitoba.

**MR. URUSKI:** Does the Minister anticipate, since there are a number of vets who are practising

outside the clinic in private practises, that it will be difficult to staff the Melita Clinic in view of the number of vets in the area?

**MR. DOWNEY:** No, I don't think so, Mr. Chairman. I think that there's a fairly large number of livestock in the area and that it should be filled with some of the new students coming out or someone else being available to it. I foresee no problem in that area.

**MR. URUSKI:** Are there any sales of drugs being made direct to farmers from the branch?

**MR. DOWNEY:** Not from the centre, Mr. Chairman.

**MR. URUSKI:** In cases of certain drugs that would be commonly used as feed additives in terms of demiacines, miacine type of drugs, has there been any sales made direct or could they be made direct, or would that be on the advice of the local veterinarian?

**MR. DOWNEY:** Yes, it would be administered through the local veterinarian, Mr. Chairman.

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

**MR. ADAM:** I wonder if the Minister could indicate what he's referring to on page 4, item 6 here, "To support development of voluntary producer contributory, to stabilization programs . . ." Is he referring to livestock in that statement? ". . . which will protect farmers against severe declines in market prices and cash flows."

**MR. CHAIRMAN:** Could the Member for Ste. Rose indicate which item he's speaking to?

**MR. ADAM:** I'm speaking on livestock, but there's a section in the Minister's opening remarks, in his statement, which states, "To support the development of voluntary producer contributory to stabilization programs, which will protect farmers against severe declines in market prices and cash flows." I'm wondering if he's referring to livestock.

**MR. CHAIRMAN:** If I could direct the Member for Ste. Rose that we are dealing with Veterinary Services Branch specifically at this time, which is item 4.(c). The Member for Ste. Rose.

**MR. ADAM:** Yes, I'm wondering when we could discuss this item or have we passed an area where we could discuss it. We're talking about delivering of animal services, keep them healthy and sell them for a high price.

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

**MR. DOWNEY:** Mr. Chairman, I think we've covered that area, and we're dealing with Veterinary Services, that we have in fact passed that particular part. I guess the member is quite aware, when we get to the Minister's Salary, that if he wants to discuss it at that time, it's an opportunity for him to do it then.

**MR. CHAIRMAN:** (c)(1)—pass; (c)(2)—pass. The Member for Ste. Rose.

**MR. ADAM:** I wonder if the Minister could indicate what the increase is here for Other Expenditures over last year.

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

**MR. DOWNEY:** Mr. Chairman, there's been an increase, or money to replenish the trust fund for veterinary science scholarships, is one of the main increases. An additional fund to provide for the veterinary medical board, also the small amount for the Veterinary Services Commission. That's the main areas for increase, Mr. Chairman.

**MR. CHAIRMAN:** (c)(2)—pass; (c)—pass. 4.(d)(1)—pass. The Member for Lac du Bonnet.

**MR. USKIW:** Yes, Mr. Chairman. I wonder if the Minister would give us a report on what is the program for this year within this particular appropriation.

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

**MR. DOWNEY:** Well, Mr. Chairman, we're dealing in the area of soils and crops, where we're looking at such things as the advancement of special crops, work in the area of research. We've also had some of the grassland projects in this particular area. The area of the Elite Seed Potato Farm, carrying on with that program. The total horticultural section of the department, including the Dutch Elm disease control, the weed control districts, and the continuation of the soil testing facilities at the university, providing soil testing to the farmers in the province. That is the basic makeup of the work activity or program activity in the Soils and Crops Branch.

**MR. CHAIRMAN:** The Member for Lac du Bonnet.

**MR. USKIW:** Yes, could the Minister indicate to us whether there have been any adjustments in the weed districts program, relative to funding or program?

**MR. DOWNEY:** No, Mr. Chairman, the only change that was made was that there was an additional amount of money made available for the employing of an additional helper in the weed districts. We have allowed the municipalities in the weed district to use that additional amount of funds in the area of their program.

**MR. USKIW:** Yes, is the support to the horticultural societies the same as it was, or has there been some adjustment there?

**MR. DOWNEY:** The horticultural support to the horticultural societies is the same, Mr. Chairman.

**MR. USKIW:** Yes, Mr. Chairman, does the minister mean dollarwise or does he mean the program is the same?

**MR. DOWNEY:** As far as the dollars are concerned, Mr. Chairman. In the horticultural societies last year there were 33,000 and 33,000 this year.

**MR. USKIW:** Yes, could the minister tell us what is happening at the Seed Potato Farm? As I recall it, they had some problems not too long ago with respect to quality, disease, etc., and they had to start all over, if I'm not mistaken. Just what is the story there?

**MR. DOWNEY:** Yes, my understanding is, Mr. Chairman, that last year was a much more successful year, that they were able to overcome the problems that they'd had prior to that, or the majority of their problems. There appeared to be quite an improvement in the seed that was available through the Elite farm. I might indicate that there has been somewhat of a reduction in money, but it is due to the equipment purchases, that there will be some leasing of equipment, instead of purchasing of certain machinery that is available to the farm. There is no cutback as such, but in fact the seed potato farm, the seed growers have planned to lease some equipment instead of purchase some of it.

**MR. USKIW:** Yes, is this a decision, the decision to lease equipment, the Board of Directors' decision or was it a decision based on ministerial pressure to reduce costs of the operation?

**MR. DOWNEY:** It was a decision, Mr. Chairman, I guess a joint decision. Initially there was a request for more money, and in discussions through the department and with the Board it was an acceptable approach, to the best of my knowledge, Mr. Chairman.

**MR. USKIW:** Well, Mr. Chairman, as I recall, all of the old do's and don'ts about Elite seed production, the optimum seed plant would want not to threaten its viability through the introduction of foreign material into the site. That was always a major concern of the program; that we shouldn't be hauling machinery back and forth as between the restricted area, the area in which their program is carried on and normal field operations of adjacent farmers, in that bacteria is such that it's terribly dangerous to use that method and it could wipe out a decade of work just through one such event. That's why I raised the question, whether it's really reasonable, I know it may be financially practical, but whether it's reasonable from a seed production point of view, disease free seed production point of view to move equipment in and out of that particular site, and have it exposed to other fields, the roads, people and so on.

**MR. DOWNEY:** Yes, Mr. Chairman, the member makes reference to the operation running into problems because of the changing of equipment, I can assure him that any equipment that goes in will be, in fact, on a yearly basis and totally major equipment, nothing to do with the actual contact with the seed. The equipment that is being leased is totally new equipment, not prior to the introduction having been in contact with any other potato farms.

**MR. USKIW:** The minister is indicating, and he may correct me if I am wrong, that this would be equipment from farm machinery dealers, rather than equipment leased from other farmers.

**MR. DOWNEY:** That's correct, to lease on new equipment with machinery dealers or companies.

**MR. USKIW:** I would presume that they would have to treat the new equipment, in any event, in the normal way. Yes, okay.

What is the status of the farm financially? The original projections were that, at some point, it would reach near, hopefully near a break-even position, between the costs of producing seed and the revenues from it, and I know that's been altered many times. What is the status of that particular policy at this point in time? Are we attempting to get it to that point, or have we abandoned the whole idea of eventually breaking even on that operation?

**MR. DOWNEY:** No, Mr. Chairman, it would be the objective to recover the costs of the operation. However, I think, as the member has indicated, they did run into some problems about a year ago which set them back as far as their operational costs in the provision of seed, but the objective, as far as the recovering of costs, it should be the objective to recover them, because it is supplying a need to an industry that should be able to purchase at the cost.

**MR. USKIW:** What is the total input into that program from the department this year? What is provided for in the Estimates?

**MR. DOWNEY:** \$50,000, Mr. Chairman.

**MR. USKIW:** And how does that compare with last year?

**MR. DOWNEY:** Last year's estimates were 84.8, Mr. Chairman.

**MR. USKIW:** Yes. Is there a continuing deficit in that operation? Is there still moneys owed?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. USKIW:** Yes, can the minister tell me whether that is a liability to the province or whether that is a liability to the seed growers themselves or jointly?

**MR. DOWNEY:** It's indicated to me — the agreement, it's a joint liability, Mr. Chairman.

**MR. USKIW:** Tell us what the amount of that liability is at the moment? Roughly, it doesn't have to be precise.

**MR. DOWNEY:** I don't have that figure with me, I'll get it provided, Mr. Chairman.

**MR. USKIW:** Yes, with respect to Crown lands, and I know we have a section on Crown lands all by itself, Mr. Chairman. Item 7.(d), Resolution 12. Is there another spot in which we discussed Crown lands?

**MR. CHAIRMAN:** To the member, I believe we discussed a portion of that under Item 3 Resolution 8.

**MR. USKIW:** No, I don't think we did, Mr. Chairman. Very presumptuous on your part, Mr. Chairman.

**MR. DOWNEY:** Mr. Chairman, there is an area under 7.(d) which highlights the Crown Land section.

**MR. USKIW:** . . . that there is nothing relative to Crown Lands with respect to this appropriation, item 9.(d).

**MR. DOWNEY:** No, Mr. Chairman.

**MR. USKIW:** Yes, well then, where would all of the extension input come from for the development of Crown Lands; would it not come from (d), this item 9.(d), or is it a separate component under Agricultural Crown Lands? Is it an in-house thing or does it draw on the department's technical services or support services which is what we are debating now?

**MR. DOWNEY:** The Crown Land would come under the 7.(d) as I have indicated, Mr. Chairman.

**MR. USKIW:** Including the extension and all of the other support services?

**MR. CHAIRMAN:** The Honourable Member for Ste. Rose. Is the Member for Lac du Bonnet finished?

**MR. USKIW:** For the moment, Mr. Chairman.

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

**MR. ADAM:** I would like to ask the Minister what is being done in the area of soil conservation at this particular time — any new programs of tree planting or whatever it is that you do — buy up all the land around the Riding Mountain to save all the soil erosion, whatever it is.

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

**MR. DOWNEY:** No, there are no new programs, Mr. Chairman.

**MR. ADAM:** I would ask the Minister again, are there not any programs for seeding of trees or would that come under a federal department — the planting of trees?

**MR. DOWNEY:** Mr. Chairman, the only tree planting program that I am aware of is under PFRA, the supplying of tree seedlings from Indian Head Tree Station.

**MR. ADAM:** In regard to the crop section here under this item, are we talking about improving crops and incomes for farmers here?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. ADAM:** Could the Minister now elaborate on the statement that he has on Page 4 at the top — top paragraph?

**MR. DOWNEY:** What is the honourable member referring to?

**MR. CHAIRMAN:** Would the Member for St. Ste. Rose repeat?

**MR. ADAM:** If we are talking about crops and improving incomes for farmers, could the Minister elaborate now on the top paragraph on Page 4 of his opening remarks?

**MR. DOWNEY:** Yes, on that page, Mr. Chairman, I would refer to the work that is being done in the variety testing and the general research of crop development in the area of the seed potato farm. As it relates to the stabilization, I would be referring to the Western Grain Stabilization which prairie producers are allowed to participate in.

**MR. ADAM:** That is all that the Minister is able to tell us at this time, this very short comment of what he has in mind on such a serious thing that certainly he has at the top of the page here — to protect farmers against severe declines in market prices and cash flows.

**MR. DOWNEY:** Under this section, Mr. Chairman, yes.

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

**MR. USKIW:** Well, Mr. Chairman, I don't know whether it's appropriate to debate that particular issue on this item, if it is then I want to pursue it. Has the Minister established a policy, well I guess he has, he's stated so in his opening remarks that he wants to give additional support in whatever way the establishment of voluntary stabilization programs. That's a bit of a contradiction to his policy vis-a-vis the Beef Income Assurance Plan which is totally voluntary. So I'm trying to understand what is meant in his statement by that since it implies a contradiction given the fact that his statements on the Beef Income Assurance Plan have indicated that he was not terribly interested in that kind of government programming. What does he mean by voluntary agricultural stabilization programs? If that is a poor example, maybe he can tell us why that was a voluntary plan?

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

**MR. DOWNEY:** Well, Mr. Chairman, I do not feel this is the area in which we should debate that. We've had our debate on that, I referred to, and it states on the top of Page 4, a voluntary producer-contributor stabilization plan and the one that I am referring to is the Western Grain Stabilization Program which is available to western farmers which in fact there is participation of something like 70-80 percent. It's a voluntary type of stabilization program and it relates to the soils and crops or the crop production. The member brings it out at this point . . . Well, okay.

**MR. USKIW:** I don't want to bring it out at this point if there's another point at which we can debate it. Well, if the Minister could tell us what is the appropriate place to debate that issue, we'll go along with that — that's no problem. Although the debate has already taken place between the Member for Ste. Rose and the Minister so we're somewhere in the middle now.

**MR. DOWNEY:** Mr. Chairman, I refer to that being the place, the whole area of stabilization. As I say we've discussed quite a lot of the stabilization program in past debate. Again I will refer the member to discussing it during the Minister's salary if that would be the appropriate opportunity.

**MR. USKIW:** Mr. Chairman, the question though, wouldn't it be logical to debate that under the economics branch which is the next item? At least that's where the research should be done for things like that.

**MR. DOWNEY:** Well, Mr. Chairman, I can indicate to the members that there aren't any dollars in here for the stabilization program and I am here to debate the soils and crops branch and I don't know why the members are so up tight about wanting to discuss it at this particular point. We're in the section that I have referred to and I've indicated to him what the statement referred to and I cannot make it any more clear to him.

**MR. USKIW:** Mr. Chairman, my point of debate at the moment is to determine where we discuss it. I know that the Minister doesn't have any money for that purpose but that in itself is a subject of debate. But where do we discuss it? I presume it would be logical under the next item which is Technical and Economics Branch and if I am incorrect, would the Minister advise me?

**MR. DOWNEY:** Okay, Mr. Chairman, as I say as far as debating the Estimates, I don't feel there's any place in here at this particular point to debate it. There is as far as the stabilization we've discussed that, we've debated stabilization, Mr. Chairman, we have done that. If we referred back to some of the Estimates we've covered, as far as a general debate on it that we can enter into that on my Minister's salary and give him as much time as I feel is required at that particular point.

**MR. USKIW:** Well, Mr. Chairman, if we could determine that the Economics Branch has a responsibility in this area then we will get to that point relatively quickly and lead into the discussion. The Minister had discussed it so far under Soils and Crops, and I don't know what that has to do with stabilization. That's the only purpose of raising the point. I am thinking of wanting to debate it on the next item but if the Minister is wanting to continue the debate on Soils and Crops, I am prepared to do it; I'm saying it's not appropriate there.

**MR. CHAIRMAN:** Might I suggest then that we pass item (d) and continue it under item (e)? The Honourable Member for Lac du Bonnet.

**MR. USKIW:** Well, Mr. Chairman, we haven't passed (d); maybe some members of the committee want to deal with item (d).

**MR. CHAIRMAN:** (d)(1)—pass; (d)(2)—pass; (d)—pass; 4.(e)(1) — the Honourable Member for Lac du Bonnet.

**MR. USKIW:** Yes, Mr. Chairman. I now would want to ask the Minister whether or not he has instructed the Economic Branch pursuant to his statement in the opening remarks introducing the Estimates; whether he has instructed them to look at possible voluntary stabilization plans for agricultural commodities produced in Manitoba, or whether he hasn't and if he hasn't, why he hasn't, and whether the mere mention of it in his opening statement is pure political window dressing or whether there is some substance behind it. You know, why mention it if it's not in the Estimates, Mr. Chairman?

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

**MR. DOWNEY:** Yes, Mr. Chairman, as far as the discussion of voluntary producer stabilization, there have been discussions take place between the provinces and the Federal Government. We, at this particular point as far as being on any finalization of agreement wherein the point where there have been discussions taken place with some producers how they look at the whole picture of stabilization, I feel that — and I again go back to the Western Grain Stabilization Program as an example that has been fairly widely accepted by the Western Grain Producers, using the principle that it is a voluntary producer type program, and we have looked at the some of the other products that are produced nationally. I am sure that even when he was the Minister that he was involved in some discussions with the Federal Government in certain stabilization programs, as there has been a continuation of those kinds of discussions.

As far as the finalization of any agreement between provincial and federal governments on any final decisions, I am sure that until after the 22nd of May, there won't be too much done that will be highly productive as far as the Federal Government side of it is concerned.

**MR. USKIW:** I'm sure there won't be any seeding done by then either.

**MR. DOWNEY:** Well, I'm certainly pleased to hear the optimism of the Member for Lac du Bonnet. I think there might be some kind of indication in his comments that he feels that we'll finally have a Progressive Conservative Government across the nation, which I am sure we're all looking forward to.

But further on the stabilization discussions, as I said, we have no moneys allocated this year because the fact that there aren't any programs to be introduced as far as we are concerned this year, and that is about it. We're in discussion with the Federal Government and farmer groups, farmer organizations, to discuss the principle of stabilization and how it could effectively into place.

**MR. USKIW:** Well, I wonder whether the Minister can tell us what he truly means by voluntary stabilization plans in light of the fact that he appears not to like the voluntary stabilization plan that we did have; that is the only one that we have and still have, namely, the Beef Income Assurance Plan. What does he see that should be different? That particular plan is voluntary; it provides for a means of public support.

**MR. DOWNEY:** Voluntary in; not voluntary out.

**MR. USKIW:** Yes, voluntary in and out; absolutely, within the terms of the Agreement. You know, what is the role of government in voluntary plans? He has criticized that one; he doesn't like the one that exists. He has made mention of the need to support voluntary plans but then we can't get from him what kind of voluntary plans he's talking about. What is the role of his department or the government in a voluntary plan as he perceives it?

**MR. DOWNEY:** Well, Mr. Chairman, I think the main thing as far as any government involvement, that the individual should have the opportunity to: number one — he should be a participant on a voluntary basis that he can join year by year or whatever is feasible, one year I think would be

acceptable, and that in fact, the level of any stabilization that's introduced should not affect the marketplace; that the production decision should in fact, be determined by the level of which the demand for the product is created at the marketplace —(Interjection)— Well, the Member for St. George, who probably doesn't understand how markets work, would understand that the actual supply of the product meeting the demand, and in fact, if there were and I'll use the term — too much government involvement through the use of money — that in fact, it would put false production determiners into the marketplace and encourage an overproduction. I think that's one of the cautions as far as the. . . —(Interjection)— Well, Mr. Chairman, I go back to discussing the stabilization concept as I see it and that, of course, being a very bottom line figure, that if the producer in the beginning stages participates, then he is allowed to benefit if the market were to be an extremely low area.

But I have reservations about people signing up for a long period of time because of some of the problems that have been experienced over the past years with some of the experiences of stabilization programs, and I think that's the basic thing, that it is our responsibility to get a feeling from producers to see what they really want, and I have the . . . not from totally all of them, but from quite a few of them there is a distinct desire for them to become involved in a form of stabilization. And I again go back to the Western Grain Stabilization which has the participation that it has, something like 70 to 80 percent of the western farmers are participating in that form of a program.

**MR. USKIW:** Well, Mr. Chairman, I gathered from his comments at least, that the Minister sort of believes that that particular concept is a good one. It does require government input; so far it has. It's been a subsidized program to date. It does require producer input. It is not as voluntary as the Minister would want us to believe in that after a certain period of time, you are locked in. You can't opt in and out of that; you're either in or you're out; you can't be on both sides, so that it isn't participation on the basis of a management decision made every year. You have to decide that at one point in time and then you either stay in it or you get out of it, but you can't be back and forth, as I understand the grain stabilization plan.

So if that is his model, then it is an obvious problem to him. If he thinks that it should be modified so that people could opt in and out each year, I don't know how you'd make a system like that work, one which would allow people to opt in and out each year. That is something that I have yet to have him explain to us. Perhaps he has the formula, I don't know, but it's a most interesting point that he makes. I don't know of any plan that provides for stabilization on that basis.

The other thing that bothers me, Mr. Chairman, is whether or not the Minister has really done any research, or asked the branch to do any research, into the existing Western Grain Stabilization Plan, because it seems to me we have again a dual approach to agricultural income stabilization in Canada. In eastern Canada, well not only eastern Canada, with respect to some commodities we have The Agriculture Stabilization Act, which is discretionary as far as its implementation is concerned from time to time on the part of the Minister of Agriculture for Canada. And the level of support is discretionary to a large extent.

And then we have the Western Grain Stabilization Plan, which is a fixed formula, non-discretionary, locked-in sort of thing, requiring producers to make financial contributions on each load of grain delivered, whereas the other requires no contribution from the producers whatever.

And one of the things that is bothersome with that, Mr. Chairman, is that it seems to me, and it's open to question, but I would hazard a guess that the Western Grain Stabilization Plan is funded largely by the producers themselves, whereas the taxpayer is funding the other one, with respect to all the other commodities. I raise the question of fairness as between the two, because you can take a producer of wheat under the Grain Stabilization Plan, as compared with a producer of corn under the other plan, and you will realize that a producer of wheat would have not recovered his own contributions to date, in a given level of production, whereas a producer of corn would have had a net of, I believe, \$5,000 just in the last year on the same model. I can't give the Minister the model' but this is the complaint that I received from a fairly large farmer only very recently, but it's not the first time that I've received that complaint; that why are we treated differently because we are producing cereal grains — well, I think it's the six grains, really, than those people who are producing other agricultural commodities who are getting the benefits of stabilization, but not having to finance any portion of them?

I would have thought it would be logical, in light of that experience, that this Minister would want to ask the Economics Branch to do some studies on the two models in order to determine for his own policy decision-making purposes, as well as for all of the producers of grain in Manitoba, in order to determine whether or not there should be something done to make things more equal, so that we don't get the lowest level of support from our national government in the grains industry

as compared with the other commodities who are receiving substantial subsidies from the Government of Canada, albeit on a discretionary basis.

It seems to me I would sooner want to argue for less discretionary programming on all commodities than to have two different programs in operation. That is a debatable point, but surely at least to know where we're going, we should do some studies through the Economics Branch to tell us in dollars and cents and ease of administration and convenience, and so on, which is the better package, or what combination of components would make a better package, so that we can make a reasonable contribution at federal-provincial meetings on this very issue.

**MR. DOWNEY:** Mr. Chairman, I would just like to clarify that there have been discussions going on with the Economics Department in this whole area, and I say I support the principle of the Western Grain Stabilization. I'm sure that there are some variances that can be introduced into the stabilization concept of the other grains, and I don't think that that type of a stabilization program could be laid over any one of the commodities and say, "This is how it should be worked." I think there has to definitely be a comparison. We have been working in that area. I have some concerns. I certainly want to assure the committee that I think that the whole area of stabilization needs a lot of discussion with people who are going to be involved in the actual programs. He brings out a good point. I don't think we want to build anomalies between the two commodities or any commodities that, in fact, give preference to one over the other as far as the involvement of federal or provincial dollars are concerned, that they have to be treated fairly, commodity to commodity, as each region has to be treated fairly within Canada. We do not want to build in discrepancies between one region and another when it comes to the production of grains through the introduction of different kinds of programs.

So I can assure him that it's very much in the discussion stages as far as the department is concerned. Again, I go back to the point that we are at this particular time discussing it with farm groups, farmers, to get their input, to see what their feelings are, and I would have to say that there is a general feeling in most of the commodities of a form of stabilization, but again, the type is one that's going to be very much one that is going to have to be decided upon very carefully.

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

**MR. MORRIS McGREGOR:** Yes, Mr. Chairman, is this the area where the Prairie Agricultural Machine Institute would come in?

**MR. DOWNEY:** Yes, Mr. Chairman.

**MR. McGREGOR:** Then I would ask, Mr. Chairman, of this \$620,700, what percentage of that is in staff and salaries to the Prairie Agricultural Institute, say of the three provinces, or indeed the Portage plant.

**MR. DOWNEY:** Mr. Chairman, I think that the total amount of money that goes to the Prairie Agricultural Machinery Institute . . . Yes, Mr. Chairman, we have a total for this coming year of \$446.2 thousand — that's the operating of the Prairie Agricultural Machinery Institute.

**MR. McGREGOR:** Mr. Chairman, both 1. and 2. then.

**MR. DOWNEY:** The total, including capital and operation, is \$474,000 — \$475,000.00. That's total capital and operating.

**MR. McGREGOR:** What percentage of this is in the cost of the overall, the three-province concept as a unit, what percentage does Manitoba contribute in this particular area?

**MR. DOWNEY:** As a general comment on that, Mr. Chairman, we contribute 20 percent to the operational costs of the three Prairie Agricultural Machinery Institutes. I have a comment on that — I think we're looking at in general a fairly expensive kind of a research institute, with the three prairie provinces having duplicate facilities.

I would have to question whether in fact we wouldn't have been better off with one of the provinces having the research facilities available to them, or in their province available to the other provinces. For example, the same as the Veterinary College at Saskatoon, or the Infectious Diseases Institute, which has been set up — I think this is one of the areas where there is a duplication of services available to the western agricultural community, that are a little more expensive than we really

**MR. MCGREGOR:** Then is the Minister saying indeed a bailer or a combine that's tested at one of the plants might be tested at all three plants? Is this what I am assuming, because I was led to believe certain things would be tested at Portage, other pieces at Saskatoon, and others at the Alberta plant. Now maybe I'm wrong.

**MR. DOWNEY:** No, Mr. Chairman, I don't think there would be a duplication of testing of the same machinery, because they do have a board of directors that operates them, and there is good provincial contact in that regard. But again, I just go back and say, we have a duplication of the services in the three provinces, whereas I would think that time will tell the kind of capacity that they have and the amount of demands that are put on these facilities. I think the tests they perform are good. Their credibility will come in the coming years in the amount of use that they've had, but I would think at this particular time, when we're putting almost a half-a-million dollars into the operation of these three plants, that we could have reduced that somewhat by just having one province with that facility available to the three provinces.

**MR. MCGREGOR:** Mr. Chairman, I've always rather appreciated this type of examination, because I do remember in the, I guess it would be the mid-sixties, when Regina University or plant was doing this on a much smaller scale. I think we were offered to contribute something like \$15,000 as our, I believe it was 25 percent share under the late Mr. Hutton. This offer was turned down, and I felt badly when that was scrapped, because I was using it, as I use it today. I see that one item, a grain dryer, and it tells you the 1 percent, if you can get a good buy on that maybe if you allow for it, and by reading this report, you know exactly where you stand. But it's true, it does sound like an awful big figure.

Mr. Chairman, the other question was: Who qualifies for these reports? I get them; if they don't get into the garbage mail, I miss some. Is that part of the overall cost, or do we as members get them, or do we subscribe for them, I have not known to be billed for them — maybe I'll just stop there.

**MR. DOWNEY:** Yes, Mr. Chairman, there is a subscription available that if you want to become a member of their mailing list, that that is available to any individual who wants to become a part of it. But again, as I say, I'm sure that the amount of use that shows up in the next year, next two years, will indicate the viability of them. I know we have an agreement with the other two provinces. I think we are in a situation where we have to honour it, and I fully intend to do so. I again look for the work that comes out to be fully supportive of agriculture in western Canada in the testing of machinery, and the making available of proper equipment for farmers.

I just have the one reservation at this time, that in fact we are sitting with three facilities, and feel that the aggressive move to build them was a little bit speedier than it could have been. The money could have been used in possibly other areas at this time.

**MR. MCGREGOR:** Another question I had was just that very one, was it considered good value, and was it too early to assess. And, Mr. Chairman, I guess the Minister has answered that.

The other thing, then, carrying on, up to date in my report, in this report, there have been no tractors tested. Is there a reason for this not being? I would hope that the tractor reports are not Nebraska-type testing, because that's a fact that they load them to hold them down, to make them create the horsepower — and really I would think what these reports are showing are weak points in any kind of machinery, be it a combine, and I hope we could get good advice on some of our tractor purchases because we know over the years there's been a lot of bad tractors put on farms that we, as innocent buyers, have sometimes got taken for by hot salesmen, and if you could get this book out and look immediately, what are we getting into, maybe. What is the future for the tractor testing?

**MR. DOWNEY:** Mr. Chairman, as far as the testing of tractors at the Prairie Agricultural Machinery Institutes, I'm sure that it has been discussed in general with the board of directors. As far as the board is concerned, I would think that with the Nebraska tests that are available, and the cost of getting involved in the overall testing of tractors, that it would be very prohibitive at this particular time. However, as I say, it's in the beginning stages, and as it develops, the need for it, and as pressures come to bear, I'm sure that they will have to look at it if the purchases of tractors in Western Canada request government taking a look at it and funding what is necessary. But I would have reservations at this particular time because of the Nebraska tests that are available to the farmers. You're indicating they aren't as applicable to Western Canada as they could be, but still, there is a pretty detailed report available on tractors through the Nebraska tests.

**MR. CHAIRMAN:** Order please. Gentlemen, in accordance with Rule 19(2) the hour of 4:30 having arrived, I am interrupting the proceedings of the committee for Private Members' Hour and will return at 8:00 p.m.

### SUPPLY — HEALTH AND COMMUNITY SERVICES

**MR. CHAIRMAN, Mr. Abe Kovnats (Radisson):** I would direct the honourable members to Page 52 of the Main Estimates, Health and Community Services, Item 6: Manitoba Health Services Commission. Item 4, Medical Program—pass; Item 3, Hospital Program—pass, the Honourable Member for St. Boniface.

**MR. LAURENT L. DESJARDINS:** Before we start this Mr. Chairman, could the Honourable Minister tell us does he have anything to report on the Childrens Hospital, is there any change, who is operating it and is there any long range planning and also the Deer Lodge Hospital, are they still negotiating with Ottawa for the take over of the hospital?

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

**MR. SHERMAN:** There's no decision with respect to Deer Lodge juncture, Mr. Chairman. We are studying it together with the Health Services Commission and with the Royal Canadian Legion. In terms of the union arrangements and employee contract arrangements that at one point presented some difficulty, most of the obstacles have been overcome but we still face the formidable responsibility of the annual operating costs on the hospital and that question, if we take it over, hasn't been resolved yet. But it's part of the total picture that the Commission and my office and the Consultative Committee are looking at with respect to resolving the whole bed spectrum and bed relationship in Winnipeg this calendar year 1979.

On the Childrens Centre there have been no specific changes up to this point in time other than that there's certainly been, I think, an improvement in morale as a result of an individual study into the problems at Childrens that was undertaken by the Child Care Committee, I believe it was of the Health Sciences Centre, and by the Board of the Health Sciences Centre. We are intending to solve the Childrens Centre problem with the redevelopment plan of the Health Sciences Centre once it's initiated and under way. The future of Childrens as an entity on that campus is part and parcel of that question so it's in the mix that is being studied for resolution this year, Mr. Chairman.

**MR. DESJARDINS:** Mr. Chairman, for the last year and a half or so I questioned the Minister of Finance and the Minister of Health to try to find out the amount of money, the new formula that we were going to get from Ottawa, that is the block funding. The Minister last year had stated that he had agreed that he would table a copy of his statement at the Ministers of Health Meeting and I never received it. And it's unfortunate, Mr. Chairman, that I had to get the information from another source than from either the Minister of Finance or the Minister of Health of this province and it's quite difficult to study an Estimate if purposely some information is kept from us, Mr. Chairman. I would say that this is exactly what happened having requested this information for the last year and a half.

As soon as I got the information, Mr. Chairman, then all of a sudden everybody else had the information. The Minister had the information and they were giving all the explanations. The Minister of Health first stated that he hadn't known this amount, that the Minister of Health never gave it to him, never gave him the information, that it was secret between, I think he was replying to one of the newsmen and said that it was secret that he was never told about. As I say, then, Mr. Chairman, there was all kinds of attempts to mislead the public once more. Even after we got the information there was an attempt by the Minister and the First Minister to mislead the public, Mr. Chairman.

The Minister first of all started by saying that he had more than one third of the total budget of the Province of Manitoba for Health and Social Development. Well, Mr. Chairman, that doesn't mean a thing. It doesn't mean anything at all because all of a sudden you could cancel and you could strike out different departments and even if you don't give enough in Health the percentage of health would increase. You know, this government could decide all of a sudden there wouldn't be a Department of Labour, you know, and then you would cut down quite a bit in the Estimates and there would be a larger percentage for the departments remaining. So that doesn't mean a thing, Mr. Chairman.

I think the real comparison should be shown as what had been spent from year-to-year, not

necessarily just the percentage, but the amount that was spent from year-to-year, Mr. Chairman. Then it was mentioned by the First Minister, who had the gall right here in the House, to explain that first of all he was going to take \$60 million off from the top because it was the revenue that was guaranteed. And that had changed for the last years starting at 1971, I think, so that was neither here nor there. So, Mr. Chairman, I try to look at the figures to see for myself, to start with, to see what the true story was. I arrived at some pretty interesting figures, Mr. Chairman.

First I lumped the hospital and medical together which was costshared before. I could see that in 1976 and '77, the last year, that it was under the cost-shared formula, that the federal paid 53 percent and the province 47 percent of those two items. In 1977-78, which was our last year in office and their first year and was the first year that the block funding was changed and this wasn't done at the time that we prepared the Estimate, well then, the federal share increased to 56 ½ and the provincial share was reduced to 43. In 1978-79, Mr. Chairman, the federal share was 63 ½ against the province 36 ½, and this year, the province is paying 1/3, so Mr. Chairman, the minister can't tell us that he is spending that money that comes from Ottawa. And this is only the amount for those two items; it's not the full amount from Ottawa, because what I did in the last year of 1976-77, the federal government also gave us 13.7 percent, which was 26 percent of the total cost of personal care homes, and I carried that through from the fund coming from Ottawa, although it was a block funding, a lump sum. I did that in all the different years, the next three years, that is, that I took 26 percent off, first of all, from the amount of money that came from Ottawa and the remainder was used to calculate what was paid on hospital and medical.

So, Mr. Chairman, in 1976-77, the federal government paid 171.4 plus 13.7 percent, that's all and then with the flexibility, I guess we could look at everything, now the personal care home, the medical and hospital and as I say, remembering that the government had paid 26 percent of the personal care homes. And, Mr. Chairman, that was increased then to 198, no, I'm just looking at the — without the personal care home now, and Mr. Chairman, it went from 171 to 198,596 or another \$27.5 million, or 16.1 percent increase.

In the following year, the share of the government went to 230 million, or an increase of another \$31 million, and that made an increase of 15.5 and in 1979-80, Mr. Chairman, it will increase to 265.3 or 15.3. —(Interjection)— No, my honourable friend says, "I thought that was 282." I'm only using the amount of money to pay for medical and hospital. I deducted 26 percent of the cost of personal care homes, and even then, at that, the sums that I give you does not take into consideration personal care homes, 26 percent of the total cost is already taken from the money coming from Ottawa. So, just to look at the other figures, there was 16.1 percent, 15.6 percent and 15.3 percent, Mr. Chairman.

Now, in the same period, let us look at what the province did. In 1976-77 it paid — again, I'm not talking about personal care homes — 152; then it went from 1976-77, 152.2; 1977-78, 152.7 or \$.5 million increase, which was very low. This was the first year, before we knew what was coming from Ottawa. And the following year, and that is very important, Mr. Chairman, the following year, which was last year — you can't just look at this year. We didn't have this information last year, although we requested it. In 1978-79, the Government of Manitoba paid 132.7, \$20 million less than they had paid the year before for hospital and medical. And, Mr. Chairman, in 1979-80, now it is 133 or 289,000 more than it paid last year, but again, less than it had paid in 1978-79 when the province had spent 152.7 and now this year, 133, Mr. Chairman, in 19 . . . —(Interjection)— Yes, 1977-78 when there is 152; 1979-80 was 133.

Now, Mr. Chairman, the increase in two years from 1977-78 to 1979-80, the federal government had an increase of 32 percent, the percentage, and the provincial government had minus 14 percent. Now, Mr. Chairman, I'll have a chance to — I looked at Hansard, I didn't find everything, but last year I asked this minister and the Minister of Finance, I asked about the social programs, because there was talk at that time of going to the block funding also. But I was trying to find out if that money had to be spent there, and the Minister of Health said, "Yes, that there were some strings attached and they had to give the information to Ottawa, and they couldn't be spent anywhere else." And I'll try to find that later on, Mr. Chairman.

So, I think that we have a situation here, Mr. Chairman, that in the name of restraint we're cutting down on all kinds of programs. The service is certainly less than it was and this provincial government, who stated that they wouldn't cut down on any programs at all, are reducing what was paid in the year that they took over the government, the responsibility for the government, Mr. Chairman. And, as I stated, even if you figure that the personal care homes have always been the same of 26 percent by the federal government, because there was a certain amount given at that time for replacement on the cap. But, Mr. Chairman, you could see that from 47 percent, the portion of the provincial government is now — I'm not talking about personal care homes — 1/3 or 33 ½ percent. Now, Mr. Chairman, I don't think that that is fair, I certainly accuse this government

and especially the First Minister of misleading the public purposely and then after saying that this amount of money would be spent on health, the minister has said that last year, and now we are told that it doesn't matter now.

Legally, I'm not saying that — I don't know about that, I was always under the impression that legally it went to the consolidated fund; they could do what they wanted it for. Now, the Minister of Health and the federal Minister of Health is saying that there was some commitment and the provincial Minister of Health said last year, that they had some commitment to spend that in health. So, Mr. Chairman, I think that this is very unfortunate; there is no need for that at all, and if there is too much money there, as a good government, there's responsible people, they should cut down. They should send that money back to Ottawa if they feel that they want to restraint. They are saying, "Well, you know, it comes from the taxpayers' money" and I would suggest that —(Interjection)— I beg your pardon. No, I'm not serious, but I don't think that you're too serious either, when you take that money from Ottawa and you're not putting in any money from the provincial government at all, from provincial revenue and then, that you're blaming this on restraint. You are making the decision, Mr. Chairman, the Minister of Finance is making the decision. He's giving a certain amount of money to the Minister of Health and he's saying, "Here, you take care of your programs with that." The Minister of Health told us that.

It is obvious, Mr. Chairman, that the Minister of Finance has no idea what's going on in the field of Health, of what the cost would be, and that is why last year we had increases such as 2.8 percent, which didn't make sense, and which nobody could tell us how they based themselves on — what they based themselves on, and it's the Minister of Finance and the First Minister who are running the show. It's unfortunate that a Minister of Health has to face us. Of course he's going to deny that as a . . . but he's the one that has to stand up and face the criticism, and he has no control over that at all. Mr. Chairman, Maybe the Minister of Finance could tell us, could explain what criteria, how he decides, he and the First Minister decide how much money should be given on the health programs. Maybe the people of Manitoba would like to hear that in the fact that — and this is the first time I see him during this Estimate. I will sit down, hoping that he will give me an answer.

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

**MR. SHERMAN:** Mr. Chairman, first of all, let me say that the Member for St. Boniface is mistaken in his reference to the exchange that we had last year, according to my understanding of that exchange as to the formula that was going to be implemented for the new block funding legislation that was proposed to come into effect originally on April 1st, 1978, in the Social Services field. What we were talking about and the meetings that I attended, had to do with a new Social Services Financing Act. It had nothing to do with health. There was considerable pressure on the part of the Federal government to go to block funding on the Social Services side to complement the move that had been made on the Health and post-secondary education side on April 1, 1977, twelve months earlier, and a number of provinces had a number of reservations about block funding, the outcome of which was that the Federal government decided it had some reservations about block funding on the Social Services side itself, and as a consequence, the Social Services financing Act died on the Order Paper in Ottawa. We are still under CAP and VRDP in Social Services and there is no block funding.

Now the Member for St. Boniface is absolutely correct when he says that he can look it up in Hansard and find where we had an exchange. We had discussions about the kinds of criteria and the kinds of conditions that were going to apply, should this new legislation come into effect, but I must insist, Sir, that certainly my understanding is, and I think if he checks Hansard he'll find that it's correct, that what we were discussing was the proposed Social Services Financing Act. We were not discussing Health, we were not discussing EPF, we were discussing block funding for Social Services, and I did tell him at the time that a very strong point was made by a number of Social Services Ministers from a number of provinces, that there should be some strings attached to the Social Services financing arrangement and the position of the national Minister of Health and Welfare, the Honourable Monique Begin, at the time was very clear. It was that there would be strings attached. There would be conditions, and they were defined as the three Rs, and I well remember answering questions from the Honourable Member for Transcona on this very subject. The first condition was that there had to be reporting from the provinces as to those areas of Social Service into which the funding was going.

The second was that there had to be recognition, and that meant that the Federal government had to be given credit in all publicity, all promotional material, all advertising material related to Social Services programs that were financed in this way, and the third, if my memory serves me, was an item having to do with reciprocity which was designed to guarantee that new citizens and

newcomers to Canada would also qualify for coverage. That is a point on which my memory is not precisely accurate, Mr. Chairman, and I stand to be corrected on that one, but it was an item of that nature, but the primary ones were the recognition for the Federal government role and the reporting of the areas and the programs into which the funding was going, so that those were the strings that were attached throughout all those discussions. In any event, the whole thing became totally academic, because for various reasons the legislation never reached second reading in Ottawa; it was introduced for first reading, and it died on the Order Paper and was not resurrected in the 1978-79 parliamentary session, so I believe that the Member for St. Boniface is in error on that point and is confusing the subject that we were debating at the time.

I might say that Manitoba, and I think I told him at the time last year, Manitoba was not very enthusiastic about the block funding arrangement in Social Services. Primarily because our draw-down from the Federal government in terms of per capita spending in Social Services is so high in relation to other provinces that we were one of the provinces that was going to be levelled down over the ten year life of the program. And though we would have stood to gain some money over our normal level of funding in the first year or two or even three years of the program, we would have hit a cross-over point very early, where we started to come down and our support from Ottawa started to come down as we were levelled down to a national average of about \$22 per capita. That's draw-down, the matching dollars from the province make it \$44 in total. Well, in Manitoba, we stand at \$28 draw-down or \$56 total, and the obvious outcome is apparent to anybody and we weren't very enthusiastic about getting into that kind of a situation, so we were not among the prime supporters of the Social Services Financing Act, and I think I assured the Honourable Member for St. Boniface of that at the time. In addition to that, there was supposed to be a \$5 so-called sweetener, pot sweetener to bring all the provinces in in 1979. The program was going to get under way April 1, 1978, and then the \$5 per capita sweetener to compensate for the conclusion of the CAP, VRDP arrangements was to come into effect on April 1, 1979. For Manitoba, that would have meant \$5 million, obviously, \$5 per citizen.

That attraction, that lure was subsequently abandoned, and so there was some \$120 million, \$5 per head for every Canadian citizen that was, at one point on the table, to get us into the plan, and then subsequently pulled away.

So to make that story as short as possible, Mr. Chairman, let me say we were not enthusiastic about it. We didn't speak strongly in favour of it; in fact, my closing statement on behalf of the province at the end of the primary meeting on the subject which I attended, pointed out quite clearly that we were prepared to enter into it reluctantly, because some provinces were in favour of it, and we felt that it probably was of some benefit to our sister provinces and we were not going to be the road block that stood in the way, but we were coming in very reluctantly, feeling that it was not demonstrably in the best interests of Manitoba. That was the subject, Mr. Chairman. What we're talking about today and have been talking about for the last two or three weeks in this connection is the EPF arrangement, The Established Program's Financing Act that brought into effect on April 1, 1977, block funding for health and post-secondary education in place of the old 50-50 CAP cost-shared arrangement.

Now, we're talking to begin with about two categories of health care: We're talking about insured hospital services services; and we're talking about medicare. And I want to reiterate to my honourable friend, what I've said in this House before, and what I've said in public before, and what I intend to say again; and that is that this is a manufactured political election item, that has been manufactured by the federal government — the Trudeau government — in the desperate search for an issue, because of the fact that they have removed themselves from all realistic possibility of being able to fight the election on the kinds of issues that the rest of us want to fight them on: namely, national unity, and the strength of this country; namely, the economy, and the opportunities in this country; and namely, the dollar and it's declining strength. Having been deprived through their own ineptitude of issues of that kind, the federal government and federal liberal candidates are making it very clear —(Interjection)— well, in concert with the NDP, that's true — have manufactured an issue in which they are attempting to present themselves as the great champions of medicare; the defenders of the little man's opportunity for universal accessibility against the kinds of things that are taking place in some big bad provinces. And interestingly enough, Mr. Chairman, those provinces that are all identified by the federal Minister of Health and Welfare, interestingly enough have Progressive Conservative administrations; although a province like Saskatchewan —(Interjection)— well, my colleague, the Minister of Finance, points out it's hard to find one that doesn't, that's true. But I can name two that don't: One, Prince Edward Island; and one, Saskatchewan; and if you look at the increases in EPF financing for the provinces across this country this year, Mr. Chairman, interestingly enough, the province that receives the biggest increase in cash and tax transfers under the EPF arrangement, had a 19.2 percent increase over 1978-79, is Prince Edward Island; and Saskatchewan's increase is 16.4 percent; whereas Manitoba's

is 14.5 percent. And if you look at the distribution of those provinces for hospital and medical in their budgets, I suggest to you, Mr. Chairman, that precisely the same thing is happening in those provinces as is happening in the provinces which the national Minister of Health and Welfare has chosen to identify exclusively in what I think is a pretty ill-disguised political manoeuvre.

Now, Mr. Chairman, while I'm on that point, let me say to the Honourable Member for St. Boniface, that I've cited Saskatchewan, whose EPF transfers are forecast to grow more quickly than Manitoba's — 16.4 percent to Manitoba's 14.5 percent. According to Saskatchewan's main estimates, overall Health Department expenditures in '79-80 are forecast to increase by 8.2 percent; with hospital insurance and medicare payments expected to increase by 4.8 percent, and 8.3 percent respectively, 4.8 percent and 8.3 percent. In all cases, lower than the 9.6 percent increase forecast for total Saskatchewan expenditures.

In Manitoba, the expenditures of the Department of Health and Community Services are expected to grow by 7.2 percent in total, while MHSC spending is forecast to increase 8.4 percent. The two major components of MHSC spending — hospital insurance and medicare in Manitoba — are forecast to increase by 10.5 percent, and 8 percent respectively; in all cases higher than the overall rate of growth of provincial spending.

I just want to re-enforce those two comparisons between Saskatchewan and Manitoba, on hospital insurance and medicare increases in Saskatchewan 4.8 percent and 8.3 percent; in Manitoba 10.5 percent and 8 percent; and yet, Saskatchewan's EPF growth rate is higher than Manitoba's. I don't cite that as a criticism of what the Saskatchewan government is doing in the health field. We all have the same problems, and I know that they're struggling with their problems the same as we are.

I only cite that, Mr. Chairman, to ask you whether you do not sincerely believe that there is something transparently contrived about a Federal Minister in the Trudeau government, desperately attempting to stay afloat in an election which by all odds, in terms of the divisiveness that that government has brought to this country, an election which by all odds they should lose hands-down. But they're fighting desperately for issues, and they think they've got one, and they're pointing their fingers — who are they pointing their fingers at? They're pointing their fingers not at their counterparts in Prince Edward Island, whose EPF payments have increased 19.3 percent, but whose health expenditures aren't; not at Saskatchewan, whose EPF payments have increased 16.4 percent, but whose health expenditures aren't; but at Manitoba, which oddly enough happens to have a Conservative government; at Alberta, which oddly enough happens to have a Conservative government; and coincidentally at Ontario, which has a Conservative government.

So, I repeat, Mr. Chairman, that this is a manufactured political issue, and I don't think that the people of Manitoba should be misled or misguided by politicians who are attempting to create a smoke screen for their failure in other areas, and who are succeeding, unfortunately, in betraying certain Manitoba politicians into that trap, including among them the Honourable former Member for Fort Rouge, who stood in this House and made the same kind of case or tried to make it, and my friend, the Honourable Member for St. Boniface.

Mr. Chairman, there has been much made of the fact that arrangements with respect to the EPF health transfer payments are supposed to be acknowledged and recognized as having particular strings attached to them, and supposed to be going in certain areas. Well, Mr. Chairman, that is not true, that is not correct. I have for the authority on that, not the Prime Minister of Ontario or the Premier of Manitoba, my leader; or the Premier of Alberta; or even the Premiers of Saskatchewan and Prince Edward Island or any others; no less an authority than the man who is trying to win a fourth mandate to divide this country. The Right Honourable Pierre Elliott Trudeau, said, Mr. Chairman, in June and December of 1976 in his Federal Position Paper, at the First Ministers' Conference, presented originally in June of '76 and re-tabled in December of '76, the following, and I quote: "While the federal funds paid in respect of health and post-secondary education would need to be spent in each of these fields, respectively, with public acknowledgment of their source, there would be no requirement for matching expenditures by the provinces." That is Pierre Elliott Trudeau, Mr. Chairman.

Then, from December '76 First Ministers' Conference, the former Minister of National Health and Welfare, the Honourable Marc Lalonde. In Mr. Lalonde's view, the introduction of the Hospital Insurance and Medical Care Programs into the EPF would have three important results: First, the provinces would enjoy greater flexibility in program management, and administrative procedures would be simplified; second, the savings realized from the capping of costly programs would accrue totally to the provinces, since federal contributions under EPF would not be directly related to program costs; and third, estimates showed that provinces would receive more under the EPF formula than under a continuation of current arrangements for the health and post-secondary education programs. That, Mr. Chairman, is the First Minister's Conference in December '76.

Here is an excerpt from that conference, from the Honourable Mr. Lalonde, when he was Minister

of National Health and Welfare; and I'm quoting, Mr. Chairman, from papers that are available to anybody: "The introduction of the Hospital Insurance and Medical Care Programs into established programs financing would have three very important results. First, the movement to block funding would increase substantially the flexibility available to provinces with regard to program decisions. At the same time there would be a simplification of administrative procedures. "Second, any savings that can be generated by reducing the services, would accrue totally to the provinces and would not be shared by the federal government, since our contribution under the established programs would not be directly related to program costs." Do you think it's necessary to repeat that, Mr. Chairman? I doubt it, but I think it would almost be worth it. "Third, all the projections suggest that the established programs formula being considered at this time would yield more resources to the provinces than a continuation of current arrangements for the health and post-secondary education programs."

Subsequent to that, he went on to say that the federal cash contributions would continue to be conditional upon provinces meeting broad health program conditions of the type currently embodied in The Medical Care Act; and these conditions as outlined in the Prime Minister's statement in June are comprehensiveness of coverage, with regard to services — nobody can suggest that that hasn't been maintained — universality of coverage with regard to people — nobody in Manitoba can suggest that that hasn't been maintained — portability of benefits, obvious; accessibility to services uninhibited by excessive user charges — that stands by itself — non-profit administration by a public agency. And there's more, Mr. Speaker.

There are comments that have been made on the same subject by the Honourable Donald Macdonald, when he was Minister of Finance, on the same subject, all of which say to just quote Macdonald, to complete the report, "The new financing arrangements will give the provinces a great deal more freedom in deciding how much money should be spent on these programs."

The fact of the matter, Mr. Chairman, is that — and Macdonald says, so that I'm not accused of foreshortening his comments — there are two that I think should be on the record, because he does — or three — because he does approach it from a slightly different perspective than that of his colleagues, "The new financing arrangements will give the provinces a great deal more freedom in deciding how much money should be spent on these programs, but we would expect that they would spend on them an amount at least equal to the federal contribution. Provinces would then have the same freedom and flexibility in using these additional funds that we are seeking to give them, through the EPF program.

"Provinces hereto would be expected to devote to these new programs an amount at least equal to the federal contribution, but it would be up to the provinces to decide how much of their own funds they would spend on them. I believe," and I think this is the significant part of his comments, "I believe that what I am proposing is fair and moves in a significant way towards giving the provinces greater freedom in managing their affairs. Provinces will get a greater share of the personal income tax; they will enjoy more flexibility in designing and administering their health programs.

"As you know, we have tried to make quantitative calculations and projections as carefully and as accurately as anyone can in a complex exercise of this kind. The resulting arithmetic indicates that over the five-year period of the new arrangements, the provinces will receive some \$2.5 billion in federal contributions, in addition to what they would receive if the present arrangements were to continue."

Mr. Chairman, I suggest in all sincerity, that the testimonials in support of the legislation placed on the record by the Prime Minister; by the former Minister of National Health and Welfare; and by the former Minister of National Finance, underline quite clearly and beyond argument that any attempt by the current federal Minister of National Health and Welfare, and anyone else, to try to suggest that there were firm strings attached to the hospital and medicare funding to the health funding under the EPF legislation introduced on April 1, 1977, is a misrepresentation of Canadian history.

I also think that it's important, Mr. Chairman, to remind the former Finance Minister of this province, the Honourable the Member for Seven Oaks, sitting in this Committee today, that he had serious reservations about the way the federal government — the same federal government that we have today was the government we had then — and he had serious reservations about the way the federal government played with mathematics, and played with figures. In that respect, I might say that the federal government's whole approach over the last several years to health funding and to health financing generally and EPF arrangements generally, has been a pogo-stick approach, a yo-yo approach, Mr. Chairman, — and I use that word literally — (Interjection) — that has swung from high to low; that has swung from right to left; that has swung from up to down, like something in a cyclone or hurricane.

The record is quite clear, ranging from the introduction of medicare in 1968 right through to this current spring of 1979; the feds on one hand, one year, one month have said, "Spend more.,"

six months later they've said, "Spend less." Six months later they've gone back to the more, then back to the less; it's been totally and entirely a game of mathematical manipulation on their part, and I think that the Honourable Member for Seven Oaks had some experience of that when he was Finance Minister and sitting on this side of the House, because the kind of argument that the Federal Liberals are trying to use today, is exactly the same kind of argument that the Opposition in this Chamber, when it was government, used in its last budget in the spring of 1977, Mr. Chairman, when it expressed concern about a loss of federal revenues as a result of the combined impact of the new EPF arrangements, and the termination of the 1972 Federal Income Tax Revenue Agreement.

I think the Honourable Member for Seven Oaks remembers that Federal Income Tax Revenue Guarantee, and the way it was abruptly terminated, and when he was Minister of Finance he stated at a Federal-Provincial Finance Ministers' Conference following completion of negotiations on the EPF arrangements, and I quote,

"Some highly questionable, federally prepared calculations released at the end of the First Ministers' Conference in December of 1976, suggested that the provinces stand to gain some \$680 million in the next fiscal year, under the new EPF arrangements. Unfortunately, the federal arithmetic ignored the much larger loss of over \$1 billion which we face because of the termination of the revenue guarantee." —(Interjection)— That is the Honourable Member for Seven Oaks, when he was Minister of Finance in February, 1977, at the Finance Ministers' Conference, and his statement was reprinted in the spring 1977 Manitoba Budget.

Well, Mr. Chairman, having adopted the position in 1977 that it's necessary to look at the total package of federal transfers to assess their overall effect, the Honourable Members of the Opposition cannot now, with any credibility at any rate, start making selective comparisons which ignore the impact of the elimination of that revenue guarantee.

My colleague, the Honourable the Minister of Finance, has stated, and my Leader has stated, what I think is unequivocally clear in a conditional situation of this kind, Mr. Chairman, and that is that what matters to the taxpayers of Manitoba, surely, and to everybody in this House who in one capacity or another is a trustee of their money and their interests in the public wheel, the bottom line — surely what matters is what Manitobans, as taxpayers, are spending on health care. The fact that EPF transfer payments have gone up at a certain percentage increase that seems fairly attractive to some, cannot, Mr. Chairman, be divorced from the whole spectrum of federal transfer payments; and as my colleague, the Minister of Finance, has pointed out, some of those payments are down. We're down, for example, in terms of equalization payments.

My colleague has said over and over again that on his calculations we're some \$30 million short — we're going to be some \$30 million short of the funding under transfer payments that we should be getting, or expected that we would be getting from the federal government.

So the fact that there may be some increase on the pure health side, which the federal authorities had no control over and I'm sure regret very much, should not be construed as a reflection of the total global spectrum of funding and financing available to us here as a province. And I can assure you that had the federal authorities had any foreknowledge — and they should have had but they obviously didn't — any foreknowledge of what was going to happen to the Canadian economy, they never would have gone into that EPF arrangement. They went into that EPF arrangement because they thought it was going to get costs under control. They thought it was going to save money; because of the conditions in the economy; because of the slow growth of the gross national product; because of the decline of the dollar; because of all the other factors that we know so vividly and so well that are injuring our . . .

**MR. CHAIRMAN:** The Honourable Minister has one minute.

**MR. SHERMAN:** Thank you, Mr. Chairman. . . . that are injuring our economic position today, they now see EPF as a very costly kind of arrangement — a very costly kind of program. They're concerned that they have made a mistake; they are concerned that they have got themselves into a situation which they did not accurately predict, with a future which they did not accurately foresee; and they are determined to make it look as though the whole thing is under threat now by certain provincial governments. Well, it just won't wash, Mr. Chairman. And the reason it won't wash is because three of their leaders, or former leaders — the current Prime Minister, the former Minister of Finance, and the former Minister of National Health and Welfare — are on record as having created a program that was designed to lure the provinces into a new arrangement which they thought was going to save them money, so there were no strict strings attached; and now because the chickens have come home to roost and it's costing them money, they're crying uncle; and that is the story behind the manufactured election issue which is being bandied about in this arena and others today, Sir.

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

**MR. DESJARDINS:** Well, Mr. Chairman, I think the Minister can't complain, you surely allowed him quite a bit of leeway. I think he talked about everything except the issue that I brought up. The first part of his speech, the Minister talked about the possibility of the block funding under social programs and you know I didn't mention that at all today, Mr. Chairman. It is true that last year I asked him questions about that and it is true what he answered when he said that there was, as far as he was concerned, that there were strings attached there —(Interjection)— but that was not discussed here today. It's over, it's gone, there's no block funding in this. I didn't mention that at all, Mr. Chairman.

I remember, it might have been at the start of the Estimate of Committee, that the Minister said yes, all that money will be spent on health. It might be that I'll never find it, because we did discuss much more the possibility of block funding for social services because we didn't have that at the time. That's number one.

Number two, Mr. Chairman, he's trying to have a fight with the federal government, and I don't care about his fight with the federal government. I don't care about his fight with the federal government; I'm not involved in this election on any side — NDP, Liberal, Conservative — it has nothing to do with it, and my honourable friend keeps saying that it's the federal government because he doesn't want to talk about the issue.

It wouldn't have been the federal government if my two friends, sitting across there, were to give me this information last year that they had, and they refused to give it to me. There was no election called then; and that's exactly what I wanted this information for, and when I asked them there was no secret. I asked the Minister and the Minister of Health says it's the Minister of Finance, and the Minister of Finance says it's the Minister of Health or you'll get it soon or in due course, and I never got this information. And in early in this session I asked the same question and again I was told that I would get this information and I never received this the information. How can the Minister who wants to — he finds it very difficult, he is anxious to go out on the street and campaign — that's his business. But he can't resist, he's got to talk about the federal government. I don't answer for the federal government. I don't answer and my fight is not with the federal government, nor PEI, nor Saskatchewan nor Ontario.

Now, it was said, and I'm not saying that it's my honourable friend, I think it was Mr. Axworthy when he sat in this House, that the former government supported this funding, supported block funding and that is absolutely wrong. We did everything possible to resist that. And somebody quoted what our leader, what the former Premier of this province stated, that's when he was presented with a fait accompli.

There were some changes in the federal government. There is no doubt they wanted flexibility, we wanted flexibility. That doesn't mean we like block funding. We wanted flexibility because the old rules were no longer good. There was no funding for personal care homes, for instance, and what happened was that the people would build more acute beds and everybody was saying we need more beds and all of a sudden they realized that we didn't need any more acute beds. You probably had too many. In Ontario they started closing them. This is what happened.

So it has nothing to do with the election. It was a question that we asked last year, that you Ministers refused to give us the information and finally we got it this year and the Minister of Health didn't know a thing about it. He said I'm told by the Minister of Finance how much money I have to spent for my programs and that's where it was.

There is no doubt that there was some changes in the thinking of the federal government. When Lalonde was there he wanted to go heavier and to spend more money in this area of Health and Social Development. There's no doubt about that and then there was a change because they felt that it was too costly. There's no doubt about that at all. And the Minister then quoted, as I say he didn't talk about the issue at all, he quoted all kinds of leaders and former leaders of the Liberal Party and they said there was more flexibility. We understand there is more flexibility. We don't deny that at all. This is the government that said we're going to keep these programs, we're going to improve these programs and we're going to do that with money saved because of a scandal and because of poor management of the former NDP government.

Well, Mr. Chairman, that's where they are getting the money from the federal government. And if they were sincere and I would imagine that if Mr. Clark comes in and they all say he's going to come in and he might, what's going to happen? Is he going to cut down on this? He should — they are saying it's wrong, that they're sorry they did it, so he can blame the former Liberal Party and he could cut that out. What's going to happen? Where are they going to get the money for these programs?

You know, the Minister is saying that the national Minister was concerned about Medicare and

so on. It is because of all the kites and the balloons that have been flown around here in Manitoba, that you are going to have more flexibility and billing for the doctors, that assignment might come back, that you were discussing that with them. Therefore you were thinking about the possibility of all that. It's no use blowing the whistle when it's ooo late.

So I think that if the Minister of Health of this province has a battle with the National Minister of Health, that's his business, but let's get back to the issue. Because what are they doing, what did they say last year? They said there is going to be 2.9, actually it was 2.2 increase for the hospital. Why? The Minister could never tell us — he's says, well, I had a choice. I could start it at nothing or 14 percent where around thernd we chose, the Cabinet chose 2.2. ' Why? Well we had to decide something and this is what we decided — 2.2.

Well, Mr. Chairman, let us talk about the issue. Never mind the federal government, never mind the Social Welfare Program, let's talk about the hospital and let's give them the benefit. At no point do we say, did any one of us say that they should put all the money down. There will be over a period of ten years some reduction, very little reduction, because the inflation will all be considered.

But let us look, given the benefit, let's see what they did in the first year 1976-1977, and now we'll talk about hospital, medical and personal care homes. The total of that together, the province paid \$6.4 million more than the federal government. That's the province. In 1977-1978 the federal government paid \$17.3 million more than the province. It was a switch. The following year, this year that we have just finished, the federal government paid \$66.4 million more and this coming year that we are debating now, \$97.2 million. And as I say, if you look at the percentage of just medical and hospital they are still maintaining the federal government 26 percent, as per my calculation, for personal care homes. In the other area of medical and hospital they are cutting down to 33.5 percent where they were paying approximately half.

Now they say that this is an election issue and they say that this is just something that the federal government — because they don't want to talk about the real issue. I don't give a damn about the federal government, Mr. Chairman. We are here, we are paid, we have a mandate, we were elected to discuss the things of Manitoba.

We didn't want this block funding. We didn't want it at all. And one of the reasons we have it here today is because this government who was less interested in these programs has taken this money to spend it somewhere else. They did not find this mismanagment that they were talking about and all this money, you know, that they were talking about reducing. Maybe they are reducing taxes. Maybe this is the money that they are using or the money that they would have spent under the old formula or even some of the statements that my honourable friend stated, that this money should be spent on health. Sure you could save some of this money in certain areas, but this money should be spent, not necessarily everything. If it's going to go down you don't want to start a program that you won't be able to finish, but there's a difference, Mr. Chairman, when they go down. When the province paid \$152.7 million in 1977-78 for medical and hospital and this year are putting 133 and last year only \$132 million. And you know this is the government that is talking about restraint, and they are using money for something else. Is that the restraint?

Now, can you blame the federal government for being sorry. And this is something my honourable friend for Seven Oaks and I mentioned during these discussions, that we felt that this would happen. Sure we wanted flexibility. We wanted to be able to change directions, to go with more personal care beds instead of acute beds. We certainly wanted that. But having said that, saying that we favour some flexibility, and the administration, and the priorities of the different provinces, it doesn't mean that we agreed with this, that we wanted this.

The issue is, Mr. Chairman, there are dollars — the Minister can't refute that — he lumped in education again. He talked about all provinces. And why we have that, it is because of the Conservative provinces, it is because of Alberta and because of Ontario and Quebec for different reasons, because they wanted to administer everything themselves. Those are the three provinces that block the kind of funding we were going to have and the federal government couldn't go any further, so they said all right, we're going to give you the block funding. And this is . . . I beg your pardon . . . —(Interjection)— The fight is — first of all we're no longer the government and we lost that fight. We didn't want this kind of — we wanted an opportunity, we wanted flexibility, we wanted to look at our priorities. We had a good system and the Minister of Health every time he stood up, practically every program, said that's the best in Canada. And we were very proud of our programs. And you haven't got a mandate to do what you are doing now. You haven't got a mandate for reducing what you paid for these services with new beds and these costs of . . . I beg your pardon? —(Interjection)— what did you read?

**MR. CRAIK:** He just read you the mandate from your . . .

**MR. DESJARDINS:** No, no, you didn't have a mandate. He said that two or three times he mentioned that the money should be spent in health. It said that there was flexibility. Nobody is arguing that. Nobody is arguing that at all and you can't argue about these figures. You can't argue that you are paying now 33 percent of the cost of the hospital and medicare. That is exactly what you are paying, not a cent more. And I am giving you the benefit of the doubt. I deducted the money from Ottawa to pay for 26 percent of your personal care beds. And what did you do in personal care beds. You have more beds, if you want to look at personal care beds, and you spent in 1978-1979, 64.1 and now 68.8. And that's not all, Mr. Chairman.

We look at the money now from the two levels of government. But because of the change this government has been able to tax, to bring in further revenue from the patient, from the taxpayers of Manitoba, that we couldn't do. We couldn't do at the time and I'm talking about those who are occupying beds, acute beds, and have been panelled but because there is no room for personal care they are treated and they should. But that is another revenue of another \$1.5 million the Minister said. And I am using his figure. It was a \$1.5 million that he got from people that are paying the rate of personal care homes that are occupying acute beds, Mr. Chairman.

Now in the hospital the Minister could not explain why that increase last year. He juggled the base. Sure he increased more than 2 percent because he got so much money from the federal government but he juggled the base. And that doesn't mean thing and maybe this year when we suggest — well you're not ready, you're saying yourself that you are just starting negotiating when this memo from the St. Boniface Hospital came out in the newspaper — we said we'll delay dealing with the Estimates of your department until you're sure. And he says, no, we've got our mind made up. Of course, because they don't care, they're not looking at need at all, they are looking at cost. And they are taking money there and then they're going to get up, they're hiding this money and they are using it for something else and then they're going to point the finger and say look at what we did. Look at what we did, Mr. Chairman, because of this mismanagement of the former government.

You know, they couldn't change very much on the mismanagement. Oh they talked about Saunders, we're heard that so many times. And they talked about the Flyer and the Flyer bus and so on — they didn't talk about the north too much, but they talked about these things. But the fact are there, Mr. Chairman. We're not talking about PEI, we're not talking about Saskatchewan, we're talking about Manitoba. And if the Minister wants to make this an issue for the federal campaign, that's his business. We have not talked on this side of the House, we're not talking about this election at all when we are dealing with this. We're talking about Manitoba, we're talking about the former government, we're talking about this government, we're talking about a government that was fortunate enough to receive a certain amount. And that's why these conservative provinces were pushing for that, because they felt that they could use this somewhere else. And that's probably why the federal government was so wrong to allow that if they felt that it was a gentlemen's agreement that this would be spent on health. And that's all the quotes that my honourable friend read to us, I'll say that. Flexibility, of course there is flexibility. But all of these quotes say that they should be spent in the field of health.

And, Mr. Chairman, the facts are here. You have the four last years and the total, Mr. Chairman, that was spent in 1976-1977 the Province of Manitoba and the NDP government had to dish out another \$6.5 million more than the feds did in this field. And this coming year, it's not the province that will pay \$6 million more, it is the federal government that will pay 97.2 percent more and I am deducting the same percentage for personal care homes so they can't say well you you want flexibility. I am taking into consideration the personal care homes, Mr. Chairman.

If you are going to have restraint, does it make sense that one level of government will increase 15.1, 15.2, 14.5 or whatever and in two years one level of government, the federal government increase in the last two years 32 percent. You know, besides spending everything and besides spending the way they do on this, there's quite a bit of leeway. And we are not suggesting that they should place every single cent there. There'll be some change and you'll be going in a different direction and so on, but there is a limit. There's a limit. They are now reducing by 14 percent. One government is reducing by 14 percent, the other government is adding 32 percent, Mr. Chairman. You know, can anybody in his right mind say that in these days of inflation, that you can go ahead for the same service that you can reduce by 14 percent in two years? Which is exactly what this government did. Mr. Chairman, and besides that, as I say, they have more revenue from the taxpayer, they've cut down on, they've increased Pharmacare, the people going in the emergency ward or the day patient at the hospital were getting free drugs; now that's being charged. And there's an increase in the cost of —(Interjection)— No, not Pharmacare, I'm talking about the hospital. There's a cost in private and semi-private. Those are more revenues that we didn't have before. Is that what they meant by good administration? Better administration?

Mr. Chairman, and then, you know, if we had the same service, look, you know, they laugh in

the back there when somebody mentioned that they've reduced by a strip of bacon. And it seems so ridiculous, you know. One meal, a piece of bacon less. And then that you don't change the sheets. And then that you haven't got the same ratio of nurses, Mr. Chairman. And then it's supposed to be — the Minister said he didn't change anything. We had in Manitoba here, a universal program on personal care homes, and now they're saying — some of them anyway, I certainly have an example of one case that had money, so they put him in a private place until he spends his money. Well, that's not universal. And the Minister was proud, and he says, "Well, that's the way it should be." It should be on needs. There should be a panel and those that need it, those who need most should get the first places in a personal care home, because when that is done, they shouldn't be sent into a private home where they would have to pay more money, and if this is what the government wants to do, they should say so.

But this is the big argument that I have with this Minister. That he keeps on — he reduces and the facts are here, and he can talk, he can try to make this a battle with — he can bring in — if he wants to fight with the Federal government, let him, on his own time. Outside of this House. He was elected and he has the mandate; he's the Minister responsible for Health matters, and there is no point trying to fight with the Federal government. We're looking at a fait accompli; we're looking at a certain thing that was approved, that was, let's say imposed by the Federal government. He says he doesn't like it. But all the Ministers of Health, the Conservative Ministers of Health in the days of my honourable friends and in my day as the Minister of Health, argued for that — they were the ones responsible for this, Mr. Chairman. And now we have it. He can talk about everything else but he didn't talk about the issue. He's just saying that he doesn't want to spend that money and he's trying to justify something that he doesn't believe in. Something that he didn't even know until I made the information public a few weeks ago. He didn't know how much money they were getting from Ottawa; he was just given a certain amount by his Premier and by the Minister of Finance and say "Here, don't bother us any more. That's what you've got. You make the best with that." Did anybody sit down and say, "What are the criteria? How many nurses should there be for so many patients?" Is that being done? You know, and it's fooling, juggling figures all the time. What about the replacement of the equipment in the hospitals?

The Minister didn't allow depreciation last year. He was talking about 2.9; well, he took about .7 away by not allowing depreciation. What is he going to do this year? Is he so sure that he's going to lose in two years and then we'll be faced with the problem of replacing this equipment? Or if they're so sure, like the backbenchers are talking about being able to do that, when is he going to face that problem? And what about the false economy? He wanted to show that they were going to save money in the hospitals, so he's transferring now the lab and x-rays and so on to doctors' offices. It's going to be paid under that side. Now, can he tell us why is that better for the patient? Is that going to be better for the patient, or is it going to cost more money?

You know, there's no answers to that. We're not going to get answers. The Minister is going to get up and he's said it many times; he's going to say it again, "Somebody's inventing, this bogus point here is just to fight the election." Well, that has nothing to do as far as I'm concerned. If he wants to fight on the statement from the Minister of Finance, National Minister of Finance, that said, "Look out, because we're going withhold money," that is something else. And he can fight this outside the House. But in the House, last year, I asked him how much money that we got from Ottawa under this new formula, I asked him to explain this formula, give us a statement to this formula; I asked him for a statement during the meeting — the Minister of Health, he promised that he would get that for us, and I never got it. I asked for this again this year; we never got it. I finally got it somewhere else, because I wanted this information, and I suspected that it was something that was far-reaching, and all of a sudden, when we made that — when I made that public, well then again it was — his fight was with the Federal government in Ottawa, because they never should have given us this information.

Mr. Chairman, I wonder if maybe you can enlighten us on that. When we ask questions in this committee, or in this House, isn't it an obligation — all right, I understand the Speaker told us many times that no Minister is forced to answer questions, but what about the Estimates? Aren't the people of Manitoba entitled to know how much revenue there is from Ottawa in the field of Health? Aren't we entitled to receive that? Should it take 18 months and still not get the information, Mr. Chairman? And if it was so sure, if the Minister was so sure that what he was doing was right, why in the hell didn't he give us this information, 16 months ago, or the Minister of Finance? Why didn't they give us this information? I think that you see the real reason now. It has nothing to do with this Federal election. It is this government. It is this provincial government who have misled the people of Manitoba, who repeatedly, this Minister included, who is saying that he inherited all kinds of bad administration. And we've asked him repeatedly, "Show us where. Tell us where." They haven't been able to give us this information.

And then they're so happy that they reduced the taxes. You know, they reduced the tax on

those that need it the most, for instance the succession duty tax; well, the money for this, Mr. Chairman, comes from here. Money that the Federal government is sending the provinces so that they should take care of their Health program. And that is why we have the situation in the hospitals, in the personal care homes. And this is why — sure — this is why that now, with a Conservative government many more doctors are leaving the province than they did previously. But the Minister will get up and tell us, "Well, you know, they're not paid well enough. They're down to ninth now." He's had two years to do something about it, and he was given 15 percent increase. Let us look at the — well, no, we can't look at the medical, because there were transfers again — they were transferred — one year there was a big transfer, something was paid under hospital — was then put under medical. Why? I don't know. And the increase, of course, maybe the doctors did get more than an 8.8 increase. I don't know, maybe the Minister's trying to hide it in there by getting a larger pot so the increase will be more. I'm not making an accusation. I don't know why this was changed.

But Mr. Chairman, the fact is, and the most important thing is that you look — and I'm not playing with figures. I'm saying that for the program of Health and medical, it went down from 152.7 to 132.7 and the next year 133. So, in '78-79, the provincial government put in \$20 million less than they had the year before for two programs. And this year they increase it by \$289,000.00. Not increased last year, but they would still be close to \$20 million less than what was put in in '78-79, during our last budget, Mr. Chairman. And these are the figures, and this is what we want to discuss with the Minister. He made his point, he can blame the Federal government; there's not one member of the Liberal Party here, there was one, and he is running. And I don't know what motives he had when he took part in this discussion. The Minister told him and he's no longer here.

But now we are not talking about the Federal government, the Federal election. It's not going to change anything. We are saying "What are you doing with the money that you received from Ottawa. Why aren't you spending a fair share?" We're not even saying that you should spend it all.

**MR. CHAIRMAN:** The hour being 4:30, and in accordance with Rule 19(2), I am interrupting the proceedings for Private Members' Hour, and will return at 8:00 p.m. this evening.

#### PRIVATE MEMBERS' HOUR

**MR. SPEAKER:** We're now under Private Members' Hour. Monday's first order of business is Resolutions. First Resolution on the Order Paper is the Resolution dealing with Income related shelter allowance program, amended by the Honourable Member for Transcona. The Honourable Minister of Economic Development has twelve minutes.

#### RESOLUTION NO. 4 — SHELTER ALLOWANCE PROGRAM

**HON. J. FRANK JOHNSTON(Sturgeon Creek):** Thank you, Mr. Speaker. The last time I had the opportunity to speak on this amendment, Mr. Speaker, I was speaking from memory when I gave some figures, and I've found that my memory is quite accurate, but I do have the actual figures at the present time. Mr. Speaker, as of October, 1978, the apartment vacancy in the city of Winnipeg has risen to 4.6, which was the first time that it had been above 4 percent since 1966. Mr. Speaker, I would like to say that these figures or the percentage is going to get higher, because it does not reflect the addition of 4,900 apartments, rental units that were started in 1978 that will come onstream in 1979.

The actual forecast at the present time, Mr. Speaker, is that we will be close to 7 percent by October of '78 and be looking at probably a vacancy rate of higher than that when we get into 1980. Mr. Speaker, the number of construction starts in 1977 that will come onstream in 1978 was up 8 percent in the city of Winnipeg. I'd like to quote a figure, Mr. Speaker, from the construction activity information sheet, and these figures come from Central Mortgage and Housing.

By November of 1977 there was 5,659 units constructed in both housing and apartments or housing units in Manitoba. By the end of November 30th, 1978, during 1978 there was 9,084 units in the province of Manitoba, which is 3,425 increase, Mr. Speaker, a percentage of 61 percent increase in total units in the province of Manitoba, started in 1978, and as I mentioned before, many of these are coming onstream. Coming onstream during this particular year of '79 and there will be a very large, very large number of units available in the city of Winnipeg.

Mr. Speaker, I know when I give those figures, the honourable members opposite will say, "What about the core area", and I have continually repeated that this government has built more units in the core area in two years than the previous government did in eight, and I'm quite willing during

my Estimates to give them the list if they want to, but in two years the Progressive Conservative Party built in the core area 374 new units of senior housing in the core area. And in the eight years that the previous government was there, they built in the core area 319, Mr. Speaker.

Well, Mr. Speaker, I don't know, the honourable members opposite seem to think that's strange. They want it both ways. At one time, they get up and they criticize that we didn't continue the housing program. They said we closed it off and in the next breath, the honourable members opposite are indicating that we're spendthrifts. The honourable members during the Question Period, or one of the honourable members during a Question Period said, after I published the report, that in 1977 there was only 200 units built. Well, Mr. Speaker, there's a reason for that. There's a very definite reason for that, that is, because as I've said and I've said in my Estimates last year and I'm quite willing to produce all the file again as I did last year, that when we took office on October 24th, there had only been \$6 million applied for by MHRC to the federal government for 1977. And this was the great \$70 million program that we had, and as I've said, the program arrived at Management Committee during those two weeks of time when their government was changing over and it came back to me, Mr. Speaker, unsigned, with a little note on it for the date it arrived, saying this has not been signed by the minister. That was their \$70 million program, and I might say that I have that on record. I can also tell you, Mr. Speaker, that we had to work hard, we had to work hard to produce another \$18 million of housing to get it out for tender before November 30th' so that we could have construction carrying on in the public housing and senior citizens' area in 1978.

So, Mr. Speaker, the only ones that were built were the 200 that the Honourable Member Opposite for Brandon East wandered around the countryside with a hammer in his trunk and a stake, and a sign, and when he saw a piece of vacant property, he would knock a sign in and then many times all we had was an option. We didn't own the property and many of them were built without going to Management Committee first, but that's the 200 in '77, and those files will be available, as they were last year.

Mr. Speaker, I'd like to quote some figures on the annual rate of turnover on our family units this year; that is, the number of units that people move into and out of last year totalled 35 percent of our stock, as compared to 25 percent in 1977 and 20 percent in 1976. Mr. Speaker, vacancy loss rate for our family units in Winnipeg increased from 1.4 to 2.2. That, Mr. Speaker, is the down-time of the units that we have and it is increasing. The ripple effect of other accommodation becoming available is certainly having an effect on the public housing.

Mr. Speaker, we as government, came in and we took a look at all our lists which by the way, had not been gone over for four years. They were just left there; we didn't know whether people had left the province; people had died or what, but we went over them. We now, at the present time, at the end of 1978 are sitting with senior citizens and family waiting lists that are down by 400 and down by 660 respectively. And, Mr. Speaker, the turn-around time for tenancing from the point of application has been as little as three months, compared to one year ago, the waiting lists took much much longer. Mr. Speaker, the previous government was just on a basis of build and fill them.

The Honourable Member for Brandon East has criticized me a couple of times and the Chairman of the Manitoba Housing and Renewal Corporation for not building in Brandon. When he first made the criticism, which was back last November, we had 54 applications that hadn't been approved or gone through the process in Brandon, and I think we have at the present time, and we're very close, at the beginning of the year 1979 was 16 in Brandon. And we opened a new building and we're taking up that slack all the time. That comes from the manager of the housing authority in Brandon; those figures are available from him to us and we are looking at them all the time. But the attitude of build and then fill was their attitude, which is not an attitude of this government. This government said that we will build for need and we are looking at it. We are looking at it very closely as far as need is.

Mr. Speaker, when the Member for Fort Rouge said that the Member for Transcona didn't have the ability to raise the level of his gaze from above the groin, he was absolutely right. I don't often or didn't often agree with the Member for Fort Rouge, but I must say, in one of his last speeches of the House, he made that very plain and he made it very accurately. Mr. Speaker, he said, as he always does, he gets up and he says anything, anything is what he says. There is four year waiting list for senior citizens' housing in Transcona area. Well, Mr. Speaker, I would like to tell you, that at January 31st, 1979 there were 33 applications from Transcona. Our applications have been dropping all the way through. Mr. Speaker, I would like to put the Member for St. James, well, he's not here at the present time; the Member for Transcona said that there's a four year waiting list in St. James. As of the same date, Mr. Speaker, we had 44 applications for from that area. Again, I have told you, Mr. Speaker, that our vacancies are growing continually and the plans that this government has to make a sensible approach to housing will also do much better by making

places available and things affordable to senior citizens.

So, Mr. Speaker, when the members get up on the opposite side and they just make 'accusations, and they just for some reason, they have this ideological hidebound thing — this is the Member for Fort Rouge again, I should be quoting him, he said the Member for Transcona is so ideologically hidebound that he must invent facts to suit his ideological obsessions of . . . and is his own only stock in trade. Mr. Speaker, the Member for Transcona just gets up and says anything. There is no justification of facts. As a matter of fact, I didn't really expect it from the Honourable Member for Kildonan, when I read his article in the paper. I've never read such a distortion of muck in my life and I truly intend to see that the answers are placed before the people that read that. He also gets into personalities; he also takes an attack at a man who has been on a board with eight other men, and Mr. Speaker, I would remind the Honourable Member for Kildonan it was his colleague for Seven Oaks who said, "If you have integrity, you have integrity; if you're honest, you're honest." And that's the way we choose people to be on boards and I say to you, that those men that are on those boards, regardless of their political stripe, and I might say, two men are there that were there when I took over and are very valuable members of those boards. Let me tell you what the board was when I took over, Mr. Speaker — it was four; it was the manager and three others. I did not believe that the manager should be on the Board of Directors and I changed that. One member was let go and there were two that stayed, and those two people have been valuable members of this board, but yet, we read in the paper, criticisms of personality. You know, if your federal counterparts can't win an election on their program, I'd say that you'd better get some more guts within you. So, I'm going to tell you this, that the facts and figures are not on your side, housing is something in Manitoba at the present time that is going to be a very very serious situation.

**MR. SPEAKER:** Order please.

**MR. JOHNSTON:** I would like to say, Mr. Speaker, CMHC realizes it as well, across the country we're all working to drive through a sensible job.

**MR. SPEAKER:** The honourable member's time is up. Are you ready for the question? The Honourable Member for Brandon East.

**MR. EVANS:** Thank you, Mr. Speaker. I'd just like to say a few words in this particular debate which revolves around the amendment, as I understand by the Member for Transcona, to a motion originally proposed by the Member for Fort Rouge, or perhaps, I should say the former Member for Fort Rouge, whereby we suggest on this side that the government consider very seriously, providing an even better supply of housing to people basically in the low income categories and, of course, this includes the senior citizens. And generally, in their other parts of this resolution, they refer to assistance to co-operative housing projects, community non-profit housing projects, reference to renovations and upgrading of existing apartments sought and so on. And there is also reference, Mr. Speaker, in the resolution, to improve any incomes of impoverished Manitobans who cannot afford proper housing by a variety of means, so that they can be in a better position to afford proper housing.

Well, as the Minister responsible for Manitoba Housing and Renewal Corporation has just told us today and in his previous remarks in this House, he and his staff are doing a wonderful job, he says, in providing housing and he, as usual, knocks everything just about, that we attempted to do in the several years that we were in office. —(Interjection)— Well, Mr. Speaker, the honourable member from his seat, I believe it's the Member for Pembina says, "We didn't do anything." I'd like to remind the honourable member to search back into history and see what was the composition of the Manitoba Housing and Renewal Corporation in the year 1968-69. Who was in the corporation? How many staff were there? What was its budget? What had it done? I think there were three people — there may have been four people — in the Manitoba Housing and Renewal Corporation, and their record of construction, I would say, was pitifully low and as a matter of fact, at that point in history, MHRC was doing virtually nothing under the Conservative government of the day. Virtually nothing and, Mr. Speaker, ever since this government has been elected, we've been treated to speeches by the Minister of Economic Development. I call them envelope No. 1 speeches; that is, you blame everything on the previous government, everything they did was wrong. Envelope No. 1 speeches that we've been hearing, and that's what I've heard — of all the mistakes that were made and deficiencies that occurred and so on.

But, Mr. Speaker, the record stands generally speaking, that the people who are on pensions, the people who are on low incomes today, by the thousands, have far better housing than they did in 1968-69. The fact is, and the honourable minister knows this and he's got it in his MHRC

annual report, there are thousands of units that were constructed for the senior citizens of this province and thousands of units that were constructed for families in this province. And I must say, generally speaking, they were well built units and generally speaking, they were well managed units and I might add, Mr. Speaker, that the management organization we set up was very ideal, because we provided for local boards to be comprised of membership from the tenants themselves, who could nominate one-third of the board membership and also, for the community, the town, the city, the village involved, the rural municipality involved, who could also nominate a-third and one-third to be nominated by the Government of Manitoba for an appointment by the Minister of Housing in the Cabinet to a local housing authority who would have the full responsibility for screening applications, for collecting the rents, for paying the costs of administering those particular units.

And I think if you compare Manitoba's record with that of Ontario with regard to administrative costs, you'll find that we come out looking very good, very good indeed, because virtually what we did was decentralize the administration of public housing in this province, making it a responsibility essentially of local people and as well providing an opportunity for the tenants to have their voices heard in the administration of those units.

I haven't the figures with me, Mr. Speaker, but if you compare those units with those in Ontario, you'll see our administration costs are way down. They compare very favourably. We didn't hire hundreds of civil servants to administer them but we did require these local boards to take the responsibility, and, if necessary, hire whatever staff was required.

But, Mr. Speaker, no matter what we have done, all the good things that we've done, the Honourable Minister continually pokes fun at us, continues to find defects, and so on, and where certain documents weren't signed, or so forth and so on. The fact is, Mr. Speaker, that the amount of public housing that has been built in this province essentially under this government, is really a program that has been based on plans that were compiled and brought to near fruition by the previous government.

In 1977, we did submit to Cabinet, and we had approval in principle from Cabinet of a program of \$58.4 million for public housing in the Province of Manitoba. This was a program that would have added 912 units of family housing and 1,198 units of elderly persons' housing. The board had approved this, the Cabinet was acquainted with it, it had been discussed. There was some technicalities involving management committee and the Minister can talk all he likes about the lateness of this going through management committee, but as far as I am concerned, that is an administrative technicality that was a fight really between bureaucrats. The policy was there, the funds were there, and the . . .

**MR. JOHNSTON:** Those technicalities are all signed by you.

**MR. EVANS:** . . . and the intent was there.

**MR. JOHNSTON:** Every one of them.

**MR. EVANS:** Well, before the Honourable Minister blows a blood vessel, . . .

**MR. JOHNSTON:** They were all signed by you.

**MR. EVANS:** . . . blows a blood vessel, the fact is, the program that he's been bragging about today and before really is based on the efforts of the previous administration and the efforts of MHRC under the previous administration.

We had put in place the apparatus to have a major downtown, a major core development. The fact that the Minister can boast, I think he said 374 units built in the core area, the fact that he could build that, surely, Mr. Speaker, was based on all the work that had been done under the previous government — all the work in getting the land. In fact, that is a great deal of the work, Mr. Speaker, amassing the land, getting the appropriate spots, going through the red tape and the regulations of municipal government pertaining to zoning, and so on. And if anything, to put up housing, it does take time, there is no question about that. But the fact is that we had laid this groundwork so that you have had this development in the core area that we have.

I really don't believe that this Minister is very committed to public housing. He'd prefer not to have public housing and I really think that this government would prefer not to have public housing. But I think they found that it has been so popular with the senior citizens and with the families in this province, that there is a lot of pressure, there has been a lot of pressure, to carry it on.

But I can see the eventual phase-out of the Public Housing Program under this government,

in the not too distant future. As a matter of fact, I think the Minister has already announced that there will be no new construction this year of public housing, that is, no new programming, no new plans for public housing construction in this year, 1979. Now, I would like to be corrected if I'm wrong, but this is what I read, I believe a statement made by the Minister some months back, that the government was planning no new public housing program for 1979. Anything that was to be built was completely —(Interjection)— a carryover from the previous year or two.

And I guess the Minister can use as an excuse, as he is, the high vacancy rates that are now seemingly on the horizon in the City of Winnipeg. And there is no question about it, that the vacancy rates have been going up, but particularly I would suggest, Mr. Speaker, among the more expensive apartment blocks in this province, among the apartment units, in particular, that people in higher income brackets can afford.

I'm not suggesting that the vacancy rates are not going up across-the-board. In fact, there's no question that if you have a huge building program that has gone on last year in the private sector and is going on this year, supplying more housing, there's no question that it should have some impact on vacancy rates.

I say there should be no question about that, because if you do increase the supply without the demand shifting proportionately, you will come up with vacancy rates. And as we do know, the fact is that the population of this province is not growing. As a matter of fact, we know the population of this province has diminished by a couple of thousand people in the last year. That's an absolute total drop in the total population of Manitoba. I suspect most of this is in rural Manitoba, but nevertheless Winnipeg is not a fast-growing city, and Manitoba is a declining province in terms of population.

But the fact is that we did have the federal program, the Capital Cost Allowance Program, which, as the Minister said, did stimulate a lot of private residential construction in the field of apartment units last year, and this year, rather. The commitments were made late in 1977, and we saw the construction in 1978. I should correct myself, we saw the construction in 1978, and some of it is still going on.

Incidentally, Mr. Speaker, this is one of those statistics that the Premier of this province used to like to bandy around; how there was a huge increase in housing construction under the Conservative Government of Manitoba in 1978. And indeed there was. The figures from CMHC showed a huge increase in housing construction in 1978 over 1977. But that housing construction that increased was pretty well all apartment units in the City of Winnipeg. It wasn't buildings outside of Winnipeg, it wasn't necessarily family units, or single family units, it was essentially apartment units in the City of Winnipeg.

And the Premier was bragging about all this construction that takes place under a Conservative Government of Manitoba, while the facts showed, Mr. Speaker, that the reason for the construction taking place was the fear by developers in the City of Winnipeg that the federal Capital Cost Allowance Program was going to be terminated. It was felt that by the end of 1977 that program would terminate and therefore we'd better get in and make our commitments with the contractors, with the builders, and get on with the job of constructing these and take advantage of this particular tax credit. And I'm not faulting them. That's a business decision they made, and maybe it was a good decision that some of them made, but the fact is this is why we got the increase in housing in Manitoba. Nothing to do with the provincial government policies — nothing whatsoever. Strictly a reaction on the part of the business community involved in apartment construction, involved in housing developments, who felt that the federal government was going to terminate the program.

As it turned out, the program was extended but nevertheless the commitments were made and the construction took place. This year, as a result, Mr. Speaker, there is going to be a very sharp drop in housing. The forecast by the Conference Board in Canada is for a very major drop in housing in the Province of Manitoba. I'm not sure whether I have the figures with me but there can be no question that we will see a drop in residential construction in this province.

Yes, here it is. In the year 1978, this is all kinds of housing units, both apartment units and single-family dwellings as well as duplexes, we built roughly 13,200 units. In the year 1979, it is forecast that this will drop by 47 percent. We will have a drop of 47 percent in housing construction, so that we will only see about 7,000 units being started in the Province of Manitoba as a whole.

And, of course, that is the reaction, really, to perhaps the oversupply in some categories that took place. But while we see the oversupply in some categories, we still can't say definitively, and I know the Minister can't say definitively, that we have corrected the housing problems in the City of Winnipeg or the Province of Manitoba.

**MR. SPEAKER:** The Honourable Member has five minutes.

**MR. EVANS:** Five minutes. Thank you, Mr. Speaker. That I would commend to the Honourable Minister a study of housing conditions in the Province of Manitoba and particularly in the core area of the City of Winnipeg, but also in remote communities in northern Manitoba. I'd refer him to some inner core areas of other cities, Portage la Prairie, the City of Brandon, and I think he will find out that the standard of housing is not adequate, that there are still too many families, thousands of families, who are not living in proper, in decent housing in this province.

As a matter of fact, a recent federal study, recent federal statistics have indicated that of all the major cities in Canada, Winnipeg has a housing stock that's in worse condition than any other city of its size in this good country of ours; that we have a higher percentage of substandard housing than any other city in the Dominion of Canada, in this country of ours. And I say that if you look particularly in parts of this province and parts of this city, the core area of Winnipeg, there is a very serious problem and it's not good enough for the Minister to sit back and say, "Look at all the housing that's going up now in the private sector and look at the increasing vacancy rates." The fact is that a problem exists and that it's incumbent upon any government that has a social conscience, to study the matter and then to take quick action.

The previous government, as I said, laid the basis for some construction in the core area. But, Mr. Speaker, we have not finished the job. We have not finished the job. We have a long way to go and I would suggest that the intent of the Amendment to the Resolution virtually reflects the fact that we have a long way to go to ensure that we have every one in this province of ours living under a roof that is half-way decent. And therefore I would commend the support of this Resolution to the various members of this House. Thank you.

**QUESTION on the amendment put and declared lost.**

**MR. GREEN:** Yeas and nays, Mr. Speaker.

**MR. SPEAKER:** Call in the members.

Order please. The question before the House is the proposed amendment moved by the Honourable Member for Transcona, in amendment to the amended motion of the former Member for Fort Rouge.

**A STANDING VOTE** was taken, the result being as follows:

**YEAS:** Messrs. Adam, Barrow, Bostrom, Boyce, Cherniack, Corrin, Cowan, Doern, Evans, Fox, Green, Hanuschak, Jenkins, McBryde, Malinowski, Miller, Pawley, Uruski, Uskiw, Walding.

**NAYS:** Messrs. Anderson, Brown, Cosens, Craik, Domino, Downey, Driedger, Enns, Ferguson, Galbraith, Gourlay, Hyde, Johnston, Jorgenson, Kovnats, Lyon, MacMaster, McGill, McGregor, McKenzie, Mercier, Minaker, Orchard, Mrs. Price, Messrs. Ransom, Wilson.

**MR. CLERK:** Yeas 20, Nays 26.

**MR. SPEAKER:** I declare the motion lost and the amendment defeated.

Are you ready for the question on the Resolution of the former Member for Fort Rouge as amended?

**QUESTION put, MOTION carried.**

### **RESOLUTION NO. 1 — RIGHT TO WORK**

**MR. SPEAKER:** The next Resolution, the Resolution of the Honourable Member for Inkster, and the amendment by the Honourable Member for Roblin; the Honourable Member for St. Johns has three minutes left in his presentation.

**MR. CHERNIACK:** Thank you, Mr. Speaker. I've just taken a few moments to glance through the comments I made on the last occasion and then I looked at the Resolution again, Mr. Speaker, in an attempt to decide whether I should just drop it at this stage or go on for the next three minutes. But, Mr. Speaker, I just could not give up the opportunity to review in my mind and therefore

what was on my mind about what is being proposed here by the Honourable Member for Roblin.

He is stating and he is requesting us to vote, to delete any urging by this Legislature of the implementation of such public and private programs as will ensure that every person in our society seeking employment, will have the opportunity of obtaining same. Mr. Speaker, I wonder if honourable members of the government side realize what they are being asked to vote for — to delete any effort to implement public and private programs that will ensure every person in our society who wants to work, to be able to get a job.

The Minister of Labour is here and he is opposed apparently, to making that statement. Mr. Speaker, I've been on this side of the House; I've been on the government side; I've been in the frontbench and the backbench, and I know that it can happen very often that someone is assigned the task: "Deal with this; here is a Resolution; here is a private members' Resolution: Deal with it", and they leave it to someone to deal with and then they may not pay attention to what they're going to do.

I want the lady and gentlemen of the government to know what they're being called upon to vote for on this amendment. They are being called upon . . . and I suppose they will blindly, like the blind mice that follow in line; they're blindly going to vote in opposition to implementing through public and private programs, the opportunity to work to a person who wants to work.

Think about what you are doing and think of what a farce you are making of your own position in regard to the opportunity to work. And think of how you are giving us the opportunity to point to each one of you and some of you are fortunate enough not to be present in the Chamber; how each one of you is about to vote. Having that in mind, I don't believe you are going to change your minds by what I've said and it's suggested to me, from our standpoint, you are always helping us; help us again as you intend to do in support of this amendment.

**QUESTION put and DECLARED carried.**

**MR. GREEN:** Yeas and Nays.

**MR. SPEAKER:** Call in the members.

**A STANDING VOTE** was taken, the result being as follows:

**YEAS:** Messrs. Anderson, Brown, Cosens, Craik, Domino, Downey, Driedger, Enns, Ferguson, Galbraith, Gourlay, Johnston, Jorgenson, Kovnats, Lyon, MacMaster, McGill, McGregor, McKenzie, Mercier, Minaker, Orchard, Mrs. Price, Messrs. Ransom, Wilson.

**NAYS:** Messrs. Adam, Barrow, Bostrom, Boyce, Cherniack, Corrin, Cowan, Doern, Evans, Fox, Green, Hanuschak, Jenkins, McBryde, Malinowski, Miller, Pawley, Uruski, Uskiw, Walding.

**MR. CLERK:** Yeas 25, Nays 20.

**MR. SPEAKER:** I declare the motion carried.

Are you ready for the question on the motion of the Honourable Member for Inkster as amended by the amendment proposed by the Honourable Member for Roblin?

The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, can we call it 5:30?

**MR. SPEAKER:** Is there unanimous consent to call it 5:30?

The Honourable Member for Wellington.

**MR. CORRIN:** Thank you, Mr. Speaker. In view of the fact that honourable members opposite are not willing to call it 5:30, I'll use these very few moments to express some of my concerns relative to the general concept of the Resolution before this House, as amended of course, Mr. Speaker. I have in the past few days had cause, as have many Manitobans, to observe the circumstances and situation that has now taken place respecting native peoples and the occupation of the local Manpower office.

And I might say, Mr. Speaker, that this to me is truly indicative of the tragedy, the very tragic perspective of our times. We have individuals resorting to what amounts to nothing less than civil

disorder, civil disobedience, in order to express their right to work. And I think that, although I don't approve of the means, I most certainly can state unequivocally, that I do approve of the goal.

I think, Mr. Speaker, that we all recognize that the right to work is indeed fundamental to our society, that persons living within the confines of this society can't, without working, can't, without the opportunity to seek out meaningful employment, participate creatively in what we represent to be an affluent and abundant society.

And so, Mr. Speaker, I move to indicate to you that I personally cannot understand why, in a province blessed with as much abundance, as much material wealth, as many natural resources as we are privileged to possess, I can't understand why so many of our people are disallowed and disentitled to the right to work.

I would indicate, Mr. Speaker, that it's more alarming in the context that it's now taking what I think can charitably be described as an ugly turn, where we're having actual confrontation within the fabric of our society, we're having discord that should, and I'm certain does, alarm most of our citizenry. We're finding that what is at, I suppose, best described as an economic problem is now going further than that. It's a problem that is perceived by many of the tormented as being something that involves racial background, that involves disentitlement as a result, not only of the colour of a person's skin and his or her cultural background, but also their geographical situation within the province.

It's a festering wound, Mr. Speaker — one that could erupt very shortly into very violent confrontation. It's unwholesome, it bespeaks only the very worst of what happens when people become disenfranchised, lose a sense of participation with broader society, when people become truly alienated from the common purpose of the broader society within which they exist.

**MR. SPEAKER:** Order please. The hour being 5:30, I am leaving the chair, and the House will resume at 8:00 p.m. in committee. The Honourable Member for Gladstone.

**MR. JAMES R. FERGUSON (Gladstone):** Yes, Mr. Speaker, I would like to make a couple of changes on Public Utilities. The name of Mr. Gourlay for Mr. Craik, and the name of Mr. Brown for Mr. MacMaster.

**MR. SPEAKER:** Are those two changes agreeable? The Honourable Government House Leader.

**MR. JORGENSON:** Mr. Speaker, I move, seconded by the Minister of Highways, that the House do now adjourn, and we will resume at 8:00 p.m. in Committee of Supply, both here and in Room 254.

**MOTION presented and carried** and the House accordingly adjourned and stands adjourned until 2:30 p.m. Tuesday.