

LEGISLATIVE ASSEMBLY OF MANITOBA
Monday, 26 May, 1980.

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Charleswood): Mr. Speaker, I lay on the table of the House a Provincial Forest Fire Summary which honourable members can read, rather than read it into the record. It's available for questions that can be asked on it later, of the individual Ministers.

MR. SPEAKER: The Honourable Minister of Labour.

HON. KEN MacMASTER (Thompson): Mr. Speaker, I beg leave to table the 41st Annual Report of the Manitoba Civil Service Superannuation Fund for the year ending December 31, 1979.

MR. SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. GERALD W.J. MERCIER (Osborne), on behalf of the Honourable Minister of Municipal Affairs, introduced Bill No. 60, An Act to amend The Municipal Act; and Bill No. 68, An Act to amend The Local Authorities Election Act.

MR. MERCIER introduced Bill No. 70, The Blood Test Act.

MR. WILSON PARASIUK (Transcona), on behalf of the Honourable Member for Wellington, introduced Bill No. 71, An Act to amend The Social Allowances Act (2).

INTRODUCTION OF GUESTS

MR. SPEAKER: At this time, I should like to draw the honourable members' attention to the gallery where we have 20 students of Grade 5 standing from the Wabowden School under the direction of Mr. Malalyk. This school is in the constituency of the Honourable Minister of Labour.

We have 40 students of Grade 8 standing from Provencher Junior High School under the direction Mr. Augert. This school is in the constituency of the Honourable Member for St. Boniface.

We have 13 students of Grades 4, 5 and 6 standing from General Byng School under the direction of Mrs. Boake. This school is in the constituency of the Honourable Attorney-General.

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

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, my question is to the Minister of Health, since the Minister of Health has effectively placed the hospitals, the health care workers and the nurses in a vice in imposing budgetary restrictions. Can the Minister advise what he intends to do now to relieve the hospitals, the health care workers and others from the vice which he has effectively installed, placing us on the verge of a pending overall provincial strike?

MR. SPEAKER: The Honourable Minister of Health.

HON. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, I don't believe that it would serve any useful purpose for either the opposition or the government to be stampeded by reports in various news media, largely those in the Winnipeg Tribune over the weekend, with respect to staffing and nursing situations in Winnipeg hospitals. Obviously, if there is validity and accuracy to those reports, it will be a matter of grave concern to me and to the government and whatever remedial action is necessary will be taken. I have, as of yesterday, instructed my officials to investigate the alleged complaints and the comments made in Saturday's Tribune. That investigation is underway and will be completed as quickly as possible.

Pending completion of that survey to determine the accuracy of those remarks and comments, I think it's probably not prudent, Mr. Speaker, of me to make too many further comments, except to say that the complaints referred to in the Tribune were never forwarded either to the Health Services Commission, to my Deputy Minister or to me. There were some incidents reported on incident reports in various Winnipeg hospitals, which were dealt with by the nursing administrations and the general administrations of the hospitals as they were received. Insofar as we've been able to determine up to this point in time, the number accountable for among Winnipeg hospitals does not approximate the figure of 300 that was given in Saturday's Tribune.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, I would simply point out to you that the answer did not relate whatsoever to the question that was posed by myself and I would hope that you would keep that in mind with future answers. I did not ask about the series of articles in The Winnipeg Tribune. What I asked about, Mr. Speaker, is what the Minister intends to do in order to undertake the easing of the continued, protracted, restraint under which that Minister has operated under with the First Minister and members

across the way for the past three years, the past three years, Mr. Speaker, bringing about a situation by which hospitals are unable to pay the salaries that they might like to pay in the province of Manitoba, on the verge of a provincialwide general strike to occur in the health care institutions in this province. What action does the Minister undertake and plan to undertake in respect thereto? —(Interjection)—

MR. SPEAKER: Order, order please. Order please. The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, negotiations and conciliation between the Health Sciences Centre and the CUPE employees at the Health Sciences Centre, and between some 40 other facilities that belong to the Manitoba Health Organizations and the CUPE Union, have been proceeding for some several weeks and are continuing and it's my information that they're continuing today. I remain hopeful until the end, although I must say that at this juncture one does not have cause or occasion for any major optimism that a strike can be averted. However, those efforts will be maintained; efforts to achieve as early an agreement as possible will be maintained intensely and contingency plans are in place at the Health Sciences Centre and other health facilities in Manitoba to take care of the emergency needs of Manitobans insofar as the Health Services of the province are concerned. I think at this juncture, Mr. Speaker, that the goodwill that can be generated on both sides should be encouraged and the situation should not be exacerbated by debating the negotiations and the conciliation that is under way.

MR. PAWLEY: Mr. Speaker, a further question to the Minister of Health. In view of the statements uttered by the First Minister but a few moments ago from his seat, can the Minister of Health assure us that he, as Minister of Health, would do everything possible to avert a strike and not to engineer a strike in the province of Manitoba?

MR. SHERMAN: Mr. Speaker, I think that question hardly needs comment but in order that the record be clear let me assure my honourable friend that up to this point in time, my office and I have done everything that is possible, short of direct government intervention in the collective bargaining process. We intend to ensure if we can that the present difficulty is resolved through the democratic free collective bargaining process. Up to this point in time it is not necessary, and I'm assured by the administrators of the hospitals involved that it is not necessary, that there be any other kind of intervention.

MR. PAWLEY: Again to the Minister of Health. Would the Minister of Health then advise whether or not it is his intention, in order to undertake appropriate settlement of the present situation that exists, that the budgetary restrictions that had been imposed by his government will be reviewed if it is required in order to avoid a general-wide strike in the province of Manitoba and a further decline in health services that have continued over the past three years?

MR. SHERMAN: Mr. Speaker, that's an interesting question, in view of the fact that just a few days ago the Honourable the Leader of the Opposition was scolding the government for a projected 139 million deficit in fiscal 1980-81. Mr. Speaker, we will continue to do what we have attempted to do as a government since our election and that is to cut Manitoba's cloth to fit its coat and we will make every effort to ensure that all Manitobans, in all categories of service to this province, including support service in the health care field, are fairly and equitably compensated.

MR. PAWLEY: Mr. Speaker, let me say to the Minister of Health —(Interjection)—

MR. SPEAKER: Order please. Order please. This is the time for questions, if the Honourable Leader of the Opposition has a further. The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, in view of the Minister of Health's statement pertaining to concerns about opposition response pertaining to the 139 million deficit, is the Minister of Health prepared to indicate to the House that he will prevent the continued decline in health services if the opposition does not raise questions pertaining to the continued deficit on his government's part for the improvement of health services in this province which have declined over the past three years?

MR. SHERMAN: Mr. Speaker, when the health care budget of a province, or any jurisdiction, is one-third of its total budget it is patently absurd, patently absurd and ignorant, Mr. Speaker, and irresponsible of any individual purporting to be the leader of an official opposition, to issue allegations about reductions in health care or reductions in health care budgeting or tight budgets. I put the question rhetorically, Mr. Speaker, as to what the Honourable the Leader of the Opposition would be satisfied with, a half of the provincial budget or three-quarters of the provincial budget. We believe that Manitobans have committed a substantial and a reasonable portion of their public funds to health care which outdistances many other jurisdictions, in fact, most other jurisdictions on this continent, Mr. Speaker.

MR. SPEAKER: Order please. The Honourable Member for Kildonan on a point of order.

MR. PETER FOX: I believe the Minister, in his opening remarks, inferred that the Leader of the Opposition didn't have any intelligence. I do believe that it is the custom of parliamentary procedure to concur that all honourable members are elected here and are intelligent; that it is wrong to infer or to apply any kind of motives to any one, and I would suggest to you, Mr. Speaker, that you have the Honourable Minister of Health retract that statement.

MR. SPEAKER: The Honourable Minister of Health on the point of order.

MR. SHERMAN: Mr. Speaker, if the Honourable the Leader of the Opposition feels offended by my remarks I am perfectly prepared to withdraw any

allegations that he or his colleague from Kildonan have interpreted in a particular individual way. I repeat that it is irresponsible to charge this government, spending one-third of Manitoba's taxpayers money on health care, with reductions or tight budgeting in health care.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Mr. Speaker, I, too, would like to address a question to the Minister of Health with respect to the crisis that may be occurring very shortly, within hours. Since the average wage for Manitoba health care workers was 183 per week, compared to the average wage of 263 per week for all Manitoba workers as of December, '79, will the Minister now reconsider adequate funding of health care institutions so that these workers can obtain a much more equitable wage level than they have at the present time? I suggest, Mr. Speaker, that the Minister look at more than goodwill, more than public relations. How about some adequate funding now, for the health care institutions? —(Interjection)—

MR. SPEAKER: Order please. I would like to draw the honourable members' attention to Citation 315(2) of Beauchesne. It is irregular to reflect upon, argue against or in any matter call in question in debate the past acts or proceedings of the House, on the obvious ground that having besides tending to revive discussions upon questions which have already once been decided, such reflections are uncourteous to the House and irregular in principle. So I would suggest to the honourable member, that besides being repetitious, that if he has some new questions to ask, he should concern himself with something in that nature.

The Honourable Member for St. Boniface on a point of order.

MR. LAURENT L. DESJARDINS: On a point of order. Would you rule, Mr. Speaker, that if there has been misrepresentation in this House that is something newer where we shouldn't deal with it again. The Minister has repeatedly said that the morale with the nursing profession has been good and now he's investigating, and I wonder if we could speak about this, Mr. Speaker, or because it was mentioned once . . .

MR. SPEAKER: Order, order please. I would suggest to the honourable member that he read the transcript of Hansard of what I have said.

The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. Then I'll perhaps put my question in a different way. Inasmuch as the Minister and the government have settled with the doctors for an amount, I understand, amounting to approximately 22.2 percent over two years, will the Minister now consider whether the financing that he's made available to the health care institutions in this province does actually enable those institutions to provide a settlement with these other health care workers that somewhat approaches that 22.2 percent? Because it seems to me that

they're far far from able to offer that amount of money at this time.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, I believe that the Health Sciences Centre has made a substantial offer that is being considered and debated by the union at the present time that does correct what inequities my honourable friend may feel exist in respect to the wage scales of support workers in the health field. I would hope that the collective bargaining process will resolve that issue.

MR. EVANS: Mr. Speaker, inasmuch as it is reported that the strike may occur at midnight tonight and will be province-wide, affecting many institutions and thousands of patients, as well as hundreds and hundreds of workers, can the Minister give us any assurance that he intends to do something, intends to take some action at least to avoid this walkout in the health care institutions as of midnight tonight? Is the Minister prepared to do something at this time?

MR. SHERMAN: Well, Mr. Speaker, we have worked diligently to assure that contingency plans are in place, we have worked diligently to ensure that honest, meaningful bargaining and conciliation has gone on on a continuing basis, it's continuing to go on. I don't believe, Sir, that at this point in time the government, the province, should intervene in that process. Obviously, if the future presents us with situations that are critical to the health care of Manitobans, further action would have to be contemplated by government and would be contemplated. I don't believe, Sir, that's the case at the present time, I believe the collective bargaining process can take care of the situation and the goodwill that has been evident on both sides of the table, notwithstanding disagreement, will produce a settlement in the normal bargaining process.

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

MR. DESJARDINS: Mr. Speaker, I would like to ask the Minister how he could make the statement here that everything meaningful is being done when he insists that the increase to the budget of the hospital would be 8 percent — that doesn't even meet the cost of living 22 — how can that be meaningful when the Minister was told repeatedly there is no way they could stay with 8 percent when all the supplies and the food has gone up by up to 20-25 percent, Mr. Speaker; how can they give fair wages?

MR. SHERMAN: Mr. Speaker, all I can do is repeat what I said a few moments ago, that I think it's a substantial offer and I don't wish, obviously, to offer an opinion on whether it is substantial enough or not; that's not for me to say but a substantial, reasonable, meaningful offer has been made by the Health Sciences Centre to the union negotiators. That is the only answer I can give to my honourable friend from St. Boniface.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. TOM BARROW: I would address my question to the Minister of Labour, Mr. Speaker, can the Minister tell the House or inform the House of the hourly rate paid to fire fighters in northern Manitoba?

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: I believe it's 3.15, Mr. Speaker, a similar rate that's paid in all jurisdictions across the country.

MR. BARROW: Could the Minister inform the House if there is a special overtime rate?

MR. MacMASTER: Again, not to my knowledge in any place, in any jurisdiction in Canada are there overtime provisions in the case of forest firefighting. There are provisions, I believe, under the Federal Income Tax Act which permits that type of thing and income tax returns are not filed on sums that are paid to forest fire fighters.

MR. SPEAKER: The Honourable Member for Flin Flon with a final supplementary.

MR. BARROW: Is there a special rate for statutory holidays? Well, I'll change it. Do you think it's time we got organized?

MR. MacMASTER: I don't believe there is a special rate, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Transcona.

MR. PARASIUK: Mr. Speaker, my question is directed to the Minister of Health and it arises out his comments regarding the spirit of goodwill within which health negotiations are taking place. Has his department or has he investigated the rejection by the Manitoba Health Organization of a voluntary services' agreement put forward via CUPE which has been accepted by the Health Sciences Centre as a situation that would arise and would hold in the unfortunate event of a strike taking place?

MR. SHERMAN: Yes, Mr. Speaker, and I might say to the Honourable Member for Transcona that, as he is probably aware, the Board of the MHO turned the proposal down as a board but recommended that individual facilities could enter into that type of arrangement on their own volition with labour organizations and trade unions and that is what has happened in the case of the Health Sciences Centre.

MR. PARASIUK: I would ask if the Minister can give us the government's position with respect to strike situations, does it favour union and management agreeing on the voluntary provision of essential services in a strike or does it favour a position that is unstructured, which results in scabs being brought in; or results in essential services being curtailed; or results in legislation forcing workers back to work? Does he favour that

alternative or the alternative put forward that is operable right now with the Health Sciences Centre and CUPE?

MR. SHERMAN: Mr. Speaker, the key ingredient in making that determination, of course, is patient safety and I think any Minister of Health, any government, any opposition has to rely on the expertise of hospital administrators and chiefs of medical staff as to what they believe constitutes patient safety in specific categorical cases of illness. It's certainly desirable to work out a system that would provide for emergency staffing in essential services in the event of a walkout, in the event of a strike, but some of the conditions that are tied to that kind of proposal have not been acceptable, up to this point in time, to some of the representatives who constitute the board of the MHO.

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

MR. PARASIUK: In view of the Minister's answer, is he prepared to contact the Manitoba Health Organization and ask them to reconsider their blanket general rejection of the concept of voluntary services agreements, even though they have said that despite their blanket rejection that lead individual hospital boards come to a general conclusion? Would the Minister contact the Manitoba Health Organization and ask them to reconsider their general rejection of this very enlightened policy?

MR. SHERMAN: No, I can't do that, Mr. Speaker. I've already met with the MHO over the weekend; I've accepted their report to me that that policy is not acceptable to the board or the general membership of MHO. As the honourable member knows the organization consists of a great number of facilities, all of which take their own independent views on matters of this kind, and I think that we have sufficient opportunity to test what, I agree with the honourable member, is a worthwhile initiative in the measure that they have taken which permits individual facilities to make their own choice.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON: Mr. Speaker, I wish to direct this question to the Minister of Agriculture. In view of the fact that I have had a number of phone calls over the weekend, and I'm sure many others of my colleagues have had the same, and the serious drought situation, I wonder if the Minister could indicate his program or plans that are hoped to be in place providing farmers in the livestock industry with both hay and grain, particularly with the dairymen who are in real dire straits because their feed supplies are quickly running out.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JIM DOWNEY (Arthur): Mr. Speaker, the action that has been taken is we've introduced a freight assistance to move pellets in from Thunder Bay. There should be some presence of those pellets

showing up the first part of this week. We've also got some alfalfa bales being brought in from Ontario, Mr. Speaker, that by later this week there should be some physical evidence of the alfalfa hay bales being moved into the province; along with, Mr. Speaker, a continuation of hay being identified within the province whereas it is still available to move into the areas of feed shortages. So it's a matter of continuing to co-ordinate, identify and direct feed supplies where necessary to those people who are in most urgent need.

Mr. Speaker, I would also like to indicate that the rain showers that were throughout parts of Manitoba last night did not totally alleviate the problem, but it has somewhat helped certain areas of the province. I think that it has removed, in those specific areas, some of the urgency that was being felt by the farmers. So there are programs in place and we are activating, continually keeping up with what is happening so that we can further move if the continued drought persists.

MR. EINARSON: Mr. Speaker, I wish to pose a supplementary question to the Minister and ask if all the agricultural representatives are now informed as to what the plans are?

MR. DOWNEY: Yes, Mr. Speaker, the department staff are being fully informed of what is available as far as pumping equipment for dugout filling in conjunction with the PFRA as far as the feed program is concerned. As I indicated, Mr. Speaker, on a CBC phone-in show today I made myself available to the agricultural community. If there are people who weren't able to contact anyone, to call me to let me know of any specific concerns that they had so we could deal with them.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Mr. Speaker, my question is to the Minister of Labour and it follows on some comments that were made earlier to the Member for Flin Flon. I'd ask the Minister if he can indicate what action his department is taking in regard to some very serious safety and health concerns that have been expressed by persons fighting fires in northern Manitoba and throughout the province in regard to their own safety and health as well as safety equipment that is being provided to them.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, our department is reviewing the type of equipment that's being supplied. I think we'll find that, in fact, similar equipment has been supplied over a period of time. There is always a possibility of upgrading types of equipment that people use for a variety of services provided.

MR. COWAN: Thank you, Mr. Speaker. Well, the Minister is entirely right, that there is always an opportunity and many times a necessity to upgrade and I would encourage him in those efforts. In the meanwhile, and I believe that there is some urgency

to his investigations, but in the meanwhile is the Minister prepared to issue bulletins to persons fighting fires in regard to safety and health hazard that they may face and also to ensure that supervisors are adequately instructed as to the safety procedures that are in place and should be followed, and would he take it upon himself to use his department to assure himself that those safety procedures are in fact in place and are being adequately followed?

MR. MacMASTER: Mr. Speaker, I would think that the average chargehand in charge of a group of citizens in northern Manitoba fighting a fire today is far more knowledgeable of safety and health precautions that should be taken in fighting fires than all 57 of us here in the House put together.

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

MR. COWAN: Mr. Speaker, the Minister seems to be abdicating some of the responsibility of his government under legislation to ensure that safety and health procedures are followed. My question to him is can he indicate what actions his government has taken in order to ensure that the provisions of the legislation are being followed and that fire fighters are working in safe and healthy conditions and . . .

MR. SPEAKER: Order, order please. The question is repetitive,
The Honourable Member for Fort Rouge.

MRS. JUNE WESTBURY: Thank you, Mr. Speaker, my question is to the Honourable Minister of Health. I wonder, in view of the comments of a retired medical officer of health to the effect that the organized chaos of the NDP in that department has become disorganized chaos under the Conservative government, if the Minister will assure the House that he will be conducting a review — the medical officer also gave specifics — if he will be conducting a review of his department and eventually reporting to the House.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: First of all, Mr. Speaker, let me say that the quote, I believe, was the other way around but, in any event, I take the honourable member's question seriously and the situation seriously and I might say to her that we have, for two years in my department, been attempting to redraft or redraw The Public Health Act and that is part of a major initiative which we intend to conclude by the next session of the Legislature. That also involves, obviously, a comprehensive study of the fragmentation of health services in the public health and environmental health areas and so there is a good deal of complex exploration that has to be completed, but it is in process and it is our intention to integrate those health services as quickly and as practically as we can.

MRS. WESTBURY: My next question, Mr. Speaker, refers to a statement by the Minister made on May

2nd to the effect that the government is appealing to nurses to return to work and I wondered if he could report to the House on the success that he is having with that appeal.

MR. SHERMAN: Mr. Speaker, I don't have the statistics with me although I can get them but, as I recall, the appeal has had considerable success in that a substantial number of upgrading courses at Red River Community College and in Thompson and, I believe, at Assiniboine Community College, are under way with the definitely projected conclusion at this point that some 100 to 110 nurses who had left the service will have completed upgrading courses and be back in the nursing market by the end of this calendar year. We would hope that number will increase even yet as we have additional applications for upgrading.

MR. SPEAKER: The Honourable Member for Fort Rouge with a final supplementary.

MRS. WESTBURY: Thank you, Mr. Speaker. In view of the fact that up to May 15th of this year 233 nurses have left our province to practice elsewhere, what, if anything, is the Minister or is his department doing to encourage those nurses or other nurses to stay in our province? What is he doing to prevent this exodus of our trained nurses from our province?

MR. SHERMAN: Everything we can, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I'd like to direct a question to the Minister of Government Services responsible for Autopac and ask him whether he supports Autopac's campaign to encourage the wearing of seat belts such as through the purchase of their 5,000 convincer and through their public education programs?

MR. SPEAKER: The Honourable Minister of Government Services.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, I can indicate to the honourable member and to the House that I am very supportive of the corporation's efforts by way of demonstration through the unit known as a convincer that hopefully will travel through the fairs of the province indicating to Manitobans the use of the seat belt and how it can, if individuals are so inclined, be a safety device that ought to be used. I certainly encourage their support of such worthwhile organizations as the Manitoba Safety League in the matters of education. I have some difficulty, and I will be discussing that with the management and general manager of Autopac, with respect to their taking legal positions, or their positions without changes of legislation within the province, to attempt to interpret in a legalistic way any penalties to Manitoba motorists who are not wearing seat belts in court situations.

MR. DOERN: Mr. Speaker, I asked the Minister whether he supports MPIC and their court challenges where they are questioning the amount of settlements given to people especially in that the

wearing of seat belts would have prevented certain accidents and consequently, if some people involved in accidents were not wearing seat belt protection, their settlements might be reduced accordingly.

MR. ENNS: Mr. Speaker, I did anticipate that supplementary question and that's why I volunteered my feelings on that subject. I do not believe it's appropriate for Crown corporations, in this case MPIC, to act in such a way that would presume a position has been taken or that would presume a law is in place, Mr. Speaker. The province of Manitoba does not have compulsory seat belt legislation and I believe in this instance the courts have ruled fairly and correctly interpreted the situation as it exists in Manitoba with no legislation being in place.

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

MR. DOERN: Mr. Speaker, I ask the Minister whether he would be prepared to bring the 5,000 convincer to the legislature so that some of the sceptics, and in particular the Minister of Highways, might be jolted into proper recognition of their use.

MR. ENNS: Mr. Speaker, I cite Rule No. 332(b) of our own rules that prohibits members from bringing exhibits of any kind into the Chamber.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, my question is to the Minister of Finance in his role as Minister responsible for Hydro. I am wondering what action, if any, the Minister intends to take on behalf of the community of Cross Lake which faces serious problems because of low water levels which could be or appeared to be related to Lake Winnipeg and Jenpeg regulation.

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, I understand that Hydro personnel are looking at the question now. There's a problem with the ferry being grounded and I know that the Chief Executive Officer was in Cross Lake and Norway House and Jenpeg over the weekend. They are trying to determine whether there are alternatives that would allow them to have the water level raised without having a severe loss of storage in doing so. We expect to have a report back from Hydro fairly shortly on that.

MR. McBRYDE: Mr. Speaker, a supplementary question this time to the Minister of Health. I wonder, Mr. Speaker, if the Minister has had any concern expressed to him by the community of Cross Lake in relation to the quality of their water supply in the community of Cross Lake.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Not to my knowledge, Mr. Speaker, but I'll check.

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

MR. McBRYDE: Yes, Mr. Speaker. A question to the Minister of Highways. I wonder what action, if any, the Department of Highways will be taking because the community of Cross Lake no longer has transportation services with the grounding of the ferry because of the low water levels in that area. Is the Minister able to come up with or arrange any alternative means of transportation for Cross Lake?

MR. SPEAKER: The Honourable Minister of Highways.

HON. DON ORCHARD (Pembina): Yes, Mr. Speaker, that alternative transportation to replace the grounded ferry is under review right now by people in my department.

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

MR. BILLIE URUSKI: Thank you, Mr. Speaker. A question to the Minister of Agriculture. He earlier mentioned that there's assistance available for the transportation of pellets from Thunder Bay. I question the Minister whether the assistance that is available to farmers will be from a Manitoba point or will it be all the way from Thunder Bay, as the freight assistance may not go very far if the base area where those pellets will be hauled from will be the Thunder Bay point. Could he clarify that for us?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): Yes, Mr. Speaker. In the introduction of the program the assistance applies to a maximum of 20 per ton and it does apply from the point of Thunder Bay.

MR. URUSKI: Thank you, Mr. Speaker. I ask the Minister whether his department has been able to locate any other supplies within the province of Manitoba or in closer proximity to our need area than the Thunder Bay point for pellets, and also would the transportation assistance equally apply to the hay that has to move in all the way from Ontario as the base?

MR. DOWNEY: Yes, Mr. Speaker, there are some other pellets available through the private sector, as well. The second part of his question, does the freight apply, yes, Mr. Speaker, the freight assistance does apply. There is a buffer zone of 50 miles, that it has to be from a distance of 50 miles or more, that that feed is moved from the source to the farm.

MR. SPEAKER: The Honourable Member for St. George with a final supplementary.

MR. URUSKI: Thank you, Mr. Speaker. Could the Minister indicate to us what actions he now proposes to take, seeing as his efforts to indicate to the packers that they should not take advantage of the farmers with low prices, seeing that that avenue did not work, what action is he now proposing to take so that the disaster prices do not prevail in the

marketplace for cows and cattle coming into the market?

MR. DOWNEY: Mr. Speaker, I think the program of introducing feed assistance has encouraged more livestock producers to keep their breeding herds on farms, plus the first livestock that would be moved would be cull animals, so I think we have to put it into perspective that the type of animals and the reflection at the marketplace, how it relates to those kind of animals. Thirdly, it is my understanding that there has been a fair amount of rain in Alberta, which is the largest beef producing province in western Canada, and the amounts of cattle could be held off the market or would normally come to market because of drought in that area will be somewhat reduced. So I think in the overall picture of livestock marketings, smaller supplies or lesser supplies will be coming to the marketplace and in fact I think we will see a stabler price.

MR. SPEAKER: The Honourable Minister of Labour.

MR. MacMASTER: Mr. Speaker, in answer to a question posed by the Member for Churchill as related to Ray-O-Vac and the layoffs. There was in fact 30 people laid off sometime ago. At that particular time, the company claims they had to let them go because they lost a very substantial out-of-country contract. I'm pleased to say that 24 people have been recalled. I don't have access to why or what new contracts they have, but 24 out of the 30 are now back at work. —(Interjection)—

MR. SPEAKER: Order please. Time for question period having expired, proceed with Orders of the Day.

ORDERS OF THE DAY

ORDER FOR RETURN

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. WESTBURY: Thank you, Mr. Speaker. I move, seconded by the Honourable Member for Winnipeg Centre,

THAT an order of the House do issue for a Return of the following information:

- (1) The number of corporations reporting under The Corporation Capital Tax Act in each of the last three reporting years;
- (2) The number of corporations taxable under The Corporation Capital Tax Act in each of the last three reporting years;
- (3) The amount of tax payable under The Corporation Capital Tax Act to the Provincial Treasury in each of the last three reporting years;
- (4) The full particulars of the costs to the provincial government of administering this Act in the last three years.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: We'll accept that Order, Mr. Speaker.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Minister of Consumer and Corporate Affairs, 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 Community Services and Corrections, and the Honourable Member for Virden in the Chair for Agriculture.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — AGRICULTURE

MR. CHAIRMAN, Morris McGregor (Virden): I call the committee to order and it think it's the desire of the Minister that we turn to Resolution 8, 3.(b), I guess it is. We passed Administration . . . There were some questions there regarding contracts. The Minister, I think, is prepared to go back if the committee wants. He would prefer to, I think, clean it up and then go on. But I'm again at the mercy of the committee if that's . . .

MR. URUSKI: Mr. Chairman, I'm expecting the Member for Lac du Bonnet, who raised some of the points, in probably about ten minutes. If we say hold it till about . . . or if not, we can go one. I know the question that he wanted to raise. If you would like to leave it for about say 10 minutes or so and then come back to it, it would certainly be convenient.

MR. CHAIRMAN: In that case, we are on Resolution 10. The Honourable Minister.

MR. DOWNEY: Mr. Chairman, I think for the member of the opposition who raised the question — the Member for St. George brings up the point, it was the Member for Lac du Bonnet — we can hold it till tomorrow or whenever.

MR. URUSKI: No, he'll be here shortly, Mr. Chairman.

MR. DOWNEY: Okay, that's fine. We might as well proceed on a normal basis and then pick it up.

MR. URUSKI: Come right back to this.

MR. DOWNEY: Or pick it up later on or whatever; proceed on a normal basis today for this afternoon.

MR. URUSKI: And pick it up maybe this evening. That's fine. That would be agreeable, Mr. Chairman, to pick up Resolution 8 this evening, and finish it off this evening, and go on to 10 at the present time and get as far as we can until this evening.

MR. CHAIRMAN: 5.(a)(1) Salaries.

MR. URUSKI: Mr. Chairman, could the Minister indicate . . . I believe he, and I've asked him with respect to Salaries, look at the entire division, the entire agricultural division which includes the five areas, and just give us the staffing changes that he proposes so that we'd have the global amount; what the total was last year, what the changes are this year, Mr. Chairman.

MR. DOWNEY: Mr. Chairman, the information I have available to me, I think we're sitting with the same amount of staff as we had last year . . .

MR. URUSKI: Which is? Or is that a problem?

MR. DOWNEY: No, Mr. Chairman, that's no problem. They're the same, Mr. Chairman, 195.47 SMYs in that whole division.

MR. URUSKI: Mr. Chairman, so then there is no change in the staffing pattern of that division?

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

MR. URUSKI: Mr. Chairman, with respect to the agricultural representatives, has there been any relocation of staff throughout the regional offices? Have there been any shifts of staff from any of the regions, Mr. Chairman, and to what communities, from where to where?

MR. DOWNEY: Mr. Chairman, there has been no major change in regional offices or allocation of staff, except — I'll qualify that, I think there is one — last year there was some question about the reallocation of staff in the Eastern Region, some questions on whether or not the regional office would be moved from Beausejour to Steinbach. There will no change as far as the regional office is concerned; it will remain the same. I think there has been a re-allocation of one of the ag. reps. out of that office to, or to be anticipated at this particular time; the Director indicates that there could be one ag. rep. moved from the office into the region and that would be moved to Dugald, that we would be putting a full time ag. rep. in the Dugald office. There is a part time ag. rep. for that area; now that office would have a full time ag. rep. But as far as the initial question of moving of the regional office, no, the regional office will not be moved out of Beausejour.

MR. URUSKI: So, in the Eastern Region, specifically, Mr. Chairman, there basically will be an upgrading of position of a part-time to a full-time in Dugald and any re-allocation of staff from Beausejour to the Steinbach area or what remains now is what will continue; is that correct?

MR. DOWNEY: Over and above that, Mr. Chairman, there's consideration being given to move two staff man years from the Beausejour office to Steinbach. That would be the extent of the move from the Beausejour office.

MR. URUSKI: Could the Minister then give me, if he has that, the staff complement of both the Beausejour office and the Steinbach office? There must be a breakdown there.

MR. DOWNEY: I think, Mr. Chairman, the objective is to make sure that the Eastern and Southeastern region is supplied with an extension service that best serves the need of the agricultural community and certainly that's what we're proceeding to do, to make sure that kind of regional distribution is available to the farm community.

A specific question the member asks is the complement of Beausejour and of Steinbach at this particular time?

MR. URUSKI: Yes.

MR. DOWNEY: I'm getting that information.

MR. URUSKI: Mr. Chairman, while the Minister is getting that information, I would like to know with respect to the present drought situation, what the chain of command is in terms of delivery and contact. I heard the Minister today on the telephone, on the radio program, indicating that the ag. reps. in all areas are the initial contact point. How are the regional offices involved in respect to identifying what shortages or what availabilities are of feed and the like, what is the chain of command that has been set up and how is it working in terms of enquiries; what kind of enquiries are coming in to the offices; what kind of hay supplies are there, and that kind of information. How is it coming forward?

MR. DOWNEY: Mr. Chairman, the member asked the chain of command. There are actually two mechanisms.

First of all, the department system works on a contact to the ag. rep., who communicates through to the regional director, who is in touch with both the Assistant Deputy Minister and also the Chairman of the Drought Committee, who is Ed Hudek, who is in charge and touches base with the overall government Drought Committee.

The other system, of course, are the MLAs, who are able to feed into the government what they're finding out in their area on a direct basis. Basically, it's the ag. rep., who can either, within his own area of information, if it's a matter a feed requirement, can either direct a known source to that farmer or can put into the system the request for feed supplies, and that should happen very quickly, plus they are in direct connection at the committee level with PFRA so that if pumps are required that information can be put through the central committee and pumps allocated.

MR. URUSKI: Mr. Chairman, I understand that. The point that I'm getting at is, is the Minister kept up to date on the numbers of enquiries for feed at this point in time? What shortages is he forseeing in terms of feed supplies? The other question that I raised with him in the House earlier with respect to the pelleting of screenings: Is there any move and has there been any move undertaken to attempt to keep the screenings in Manitoba rather than having all the grain shipped to Thunder Bay or encouraging the elevator companies to maintain the screenings here and pelletizing them here? I believe there are local operators who can pelletize in the Winnipeg area, for example.

MR. DOWNEY: Mr. Chairman, without arousing a whole new area of debate as far as moving of screenings out on a subsidized rate and bringing them back on a subsidized rate, I will answer the member; at this particular time, we've identified or tried to identify all sources of screenings in the private sector and, as far as the government are concerned, make sure we secured some supplies that were known and available at Thunder Bay. We have not taken total control of all supplies but have bought a certain number and there are certain numbers available again through the other elevator companies or through elevator companies who would normally be selling screenings in other areas of not only Canada but would be exporting them. It's a matter of moving in what has been requested, and we have had something like 200 requests, or inquiries, I should say, to this point. In relationship to that at this particular point, I think everyone has been accommodated.

MR. URUSKI: Is that for hay, primarily?

MR. DOWNEY: No, Mr. Chairman, it's inquiries, I would say, for hay, pellets, water pumping and that type of thing. That's more of a broad picture that I have. Again, certain farmers phone and find out what some of the costs are probably, and they have other alternative mechanisms or measures that they can carry out. So again, it's a matter of how long this problem persists and we're, as I've indicated, moving in alfalfa hays from eastern Canada. At this particular time, there appears to be sufficient quantities. Again, as you see, the numbers of people that are requesting feed and are unable to get pasture growth, then the demand will increase. But I think in total supplies, I think that we're finding that a lot of farmers do have some carry-over of feed and are somewhat reluctant to either sell it, but they're sitting on it for their own purposes for this coming year, until there is some assurance that we will get a hay growth this coming year.

MR. URUSKI: Mr. Chairman, could the Minister indicate with respect to the assistance for transportation of feed or hay . . . He indicated that the transportation costs will be f.o.b., for example, if the pellets will be f.o.b. at Thunder Bay. What impact on the cost of freight will that, I assume the 20 per ton, have? What is the freighting costs, say to bring in feed into let's say the Rock Lake or the Brandon area from Thunder Bay? What's the mechanism that is being used?

MR. DOWNEY: Mr. Chairman, the rates that we had to go with to start with were back haul rates and the figures that have been indicated to me that it would pretty well pay for the cost of the movement of pellets by truck to those kinds of areas. That's on a two-way freight rate type of proposal and it's been indicated there are trucks that are moving down that have capacities coming back, so it's a back haul freight for them. It's not as if you were deadheading to get those pellets.

MR. URUSKI: Mr. Chairman, the Minister can assure us that the assistance that is being provided can in fact cover the costs of moving that. Are the

railways moving any of those pellets at all at this time or has there been any movement of the pellets that the province has picked up?

MR. DOWNEY: At this time, Mr. Chairman, I can only speak for what has happened within the government, I can't speak for the private sector if they move some by train. We have been informed that there is an ability for the cars to be used but are still waiting on what the costs would be. But our immediate move, because of the urgency, was to get trucks which can move right into the farmer's yard and accommodate the shortfall as quickly as possible. The trucking systems were the best that were available to this particular time.

Now, on a larger quantity, if we were to move the train system, I have been assured that the cars in the province, at least, would be available to use them for the movement of product back.

So these are the alternative things we have but, again, I want to stress that because of certain areas, the urgency, we felt that the trucking system on a back haul was the best system. Again, if you're looking at larger quantities moving further distances, of course, the train system is the best system as far as large volumes are concerned.

MR. URUSKI: Mr. Chairman, could the Minister indicate how many tons or what quantity has he been assured that is available to the province at this time?

MR. DOWNEY: Mr. Chairman, there really hasn't been a maximum put on what we are purchasing. The initial purchase was 1,000 tons that started the program off but we really haven't had any indication what ceilings are available on numbers and of course we're proceeding to secure supplies and, again, the private sector are getting into the business also of making available some pellets on their own.

I think the other area that we're moving on very rapidly and that's to make sure there are sufficient supplies of alfalfa hay; that's critical as far as the dairy industry is concerned and, again, trying to meet the needs of those people who are against it, without supplies.

I can indicate from my firsthand experience in the region that is most severely affected, and that's in the southwest, the majority of people there have turned their livestock on to fall rye if they had fall rye, and other breeding herds. They have marketed any animals they've bought for normal pasture season, that they have returned those cattle to the market and they have subsequently moved into the Ontario feeder business or feedlots or pastures in the east. But the individuals who have cow herds, if they haven't got fall rye, they've moved them on to their pastures, and again that moves the problem down the road into where are they going to acquire winter feed supplies. That again gives us a bit more opportunity to irrigate some of the other known water sources onto tame pastures and tame hay grounds, and that is now being looked at, what programs could we put in place to encourage that kind of work to be done.

Again, it's a matter of total water supplies, what are available, and how much of it can you use for these specific programs. The objective, of course, is

to increase the total supply of roughage for this period and looking down the road for the fall and wintering season, just how much feed can we make available and try and put everything in place. In fact, through the committee process, I'm sure that members of your side and our side would have ideas that they may be able to put on the table, that we could look at. It's a matter of using the collective minds in these kinds of situations. I don't think anyone has a particular monopoly on what can be done as far as alleviating the problems.

MR. URUSKI: Mr. Chairman, I wanted to be sure and certain that the Minister has available to him and is using every means at his disposal to make sure that there are adequate supplies of alternate feeds, such as pellets, that he can purchase. Can he assure us that, in the event that there becomes an acute shortage of hay in the province, screened pellets such as he made a rough purchase of 1,000 tonnes at the present time, whether he can be assured of a steady supply to cover off any further requirements that his department might see?

MR. DOWNEY: Again, I suggest, to put a total quantity on what is available is very difficult to do because we're seeing the normal process of shipping and moving grain into the export ports; the rate at which that grain goes in and is cleaned, of course, determines how many screenings are available. I guess the alternative is that we could see and implement and would be a wise idea, and this is a good time to raise it, that we would see more elevator cleaning of farmers grains right here in western Manitoba or in Manitoba to remove the rougher screenings off of those grains to start with, so it isn't a dual haul; that we can in fact we can save more of that product before it goes out of the province.

Those kinds of things also have to be part of what is taking place. If a farmer is a mixed farmer and he's delivering several thousand bushels of grain, it might be a good idea to have it run over to the local elevator cleaner to take the screenings back for his own use. I think they're already doing that but it's, again, one of the other things that can be done. But then we lack the, I guess in a more spread-out areas, there is a lot of the areas of the province that don't have the pelleting equipment available that is available at Thunder Bay or other port facilities.

MR. URUSKI: Mr. Chairman, are there staff within the department specifically allocated to and assigned to do this kind of gathering of information on requirements and needs within the various regions? Is there a staff component that is doing most of the work there and how has the staff been allocated within the regional offices?

MR. DOWNEY: Mr. Chairman, the specifics of distributing the pellets, if that's what he is referring to, the handling of the different things that are available, we've contacted the elevator companies to have their agents assist with the distribution of them. If an individual wants a partial load then there has to be a picking up of that and we have the agreement from the elevator companies to do that, that if there's a supply put in the elevator they can be

distributed on a piece meal basis, so that's one of the other. The staff of the Department of Agriculture and the Union of Municipalities — and when I say the union, the local elected officials — are meeting; they are part of the overall committee and in a lot of communities, as you people know as an MLA, a lot of the council people are called because the farmer is running into trouble. They're being fully alerted. The Minister of Municipal Affairs is meeting with them today in Brandon in the western region to outline in specific detail what all is in place and how we can work together.

Again, it's a matter that the links of communication are kept open, or the lines of communication are kept open so that everyone knows what's going on; it takes extra staff. And I know what the member is referring to. If there was an area specifically set up to deliver or needed for alfalfa hay in a dairy area, then I think it would certainly warrant additional term staff to be put in place, but that's his specific job. I haven't had indications from staff yet at this point that we haven't been able to handle it through what's available. But I think it's a good point, and I'm quite prepared to . . . Goodness knows, in some of these areas there are quite a few spare hands around right now, particularly without any rain and there isn't any spraying to do, as normally would be done. So there are a few people who need the employment as well and it's a matter of using all hands in the best way to distribute and facilitate farmers in need.

MR. URUSKI: Mr. Chairman, I gather from the Minister then that existing staff are doing the day-to-day work in helping to co-ordinate the information on feed supplies.

MR. DOWNEY: With the municipal people.

MR. URUSKI: The Minister says, With municipal people. There must be a central point in the region in terms of where the ag. reps. funnel their information in. Like in your area, I would presume that, in the Minister's region, the Brandon office would be the co-ordinating area to facilitate the information as to how much feed is available for sale, what quantities of feed and the needs of the area and the like. Has the Minister been able to — you know, it's been over a week now since his co-ordinating committee has been set up — have they been able to identify and what kind of quantities of feed have they been able to identify that exist in terms of hay supplies within our own province.

MR. DOWNEY: Well, as I indicated some two weeks ago when we set up our co-ordinating office, at that particular time there were some supplies available for a week or two. It was a matter of farm people that had supplies were holding them and not moving them. Since then, of course, we've added the additional screening pellets, alfalfa, into the system, or it's in the process of getting into the system. The distribution to date has been through contacting of the ag. rep. office and the main western co-ordinating office has been in Brandon, that the ag. reps. could get their information from Brandon or vice versa, that it would go out of Brandon. What we are proposing to do, that's strictly with the Agriculture Committee, of course, it's all feeding into

the central drought committee of the government, as I indicated, as supplies of alfalfa hay or feed move into the province it's a matter of not having to haul the hay to Brandon, for example, if it's needed in the dairy, the milk shed area of Winnipeg. So we will be proceeding to put a specific office in place through the ag. rep. system in the eastern area so that we can make sure that the dairy industry is accommodated through that particular office and it's a matter of having two main points of contact, particularly when the product is moving from the eastern part of Canada.

MR. URUSKI: So I gather, Mr. Chairman, we are in the process of moving hay in from Ontario now. That's fine. Has the Minister got information or is information available to him on what supplies are still on hand that the department can guesstimate, if they haven't been able to co-ordinate the information at least guesstimate what kind of supplies are there on hand; how much is and has been moved in from the east in terms of supplementing our dairy herds; what else is required, what are our needs in the immediate future.

MR. DOWNEY: The actual trading or hay available for trading at this time, Mr. Chairman, is very little, as I have indicated there is a reluctance of anyone that's prepared to sell their feed, so that actual trading. . . . To be more specific, in quantities of feed supplies there have been such figures quantified as enough feed in custom feed lots to hold something like 10,000 head of cattle for a three to four month period, that's just what's been indicated, that's corn silage and feed supplies which doesn't necessarily say that the feed has to be fed in those feed lots, I'm sure it could move into the dairy industry, it could be trucked, the same as other types of feed but as far as marketable feed supplies, and that's basically what we have to go on, there's very little trading. As far as quantities, there is very little that is available in the province.

MR. DEPUTY CHAIRMAN Henry J. Einarson (Rock Lake): The Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. Now we're getting more specific here. I appreciate the information that the Minister has given us. Could he tell us as to how much hay is available from the east and how much of it has been trucked in at this point. Are they aware of the tonnage at all that may be available and how much is being trucked in?

MR. DOWNEY: On tonnage, of actual tonnage, really we've just had indication from Ontario that there are fairly large supplies of alfalfa held over from last year because of the good hay this year, they've been getting extremely good, favourable hay conditions this year, so the new crop of hay looks good. As far as actual provincial government movement of the product of hay in, there hasn't been any to this date, move in, it's in the process of being put in place. However, I've been informed that there have been some loads coming in through the private sector, through people who truck cattle down and have brought hay back and you know, this is hard to quantify because we don't know how many

trucks are doing it, but again, I think that are far as quantifying what is there, there appears to be a fairly large amount of hay available, indications to us availability is good. The movement of that in, I would hope we should see some physical evidence by the latter part of this week.

MR. URUSKI: Thank you, Mr. Chairman. The Minister has used at least the initial stages in his purchase of 1,000 tonnes of grain pellets at the Lakehead on what one could call the feed bank concept. Has he got any of his staff in the field — it appears that the likely only place that hay is available is in the Ontario market — is there anyone that he has going out and, for example, making sure that purchases are being made so that hay supplies are being gathered to make sure that the point that we raised last week of the possible upward swing of scalping in the feed market, doesn't occur. If the Minister has any plans in this respect, mind you I think it's getting a bit late at this point in time, if hay is starting to move, that the supplies be cornered or at least a foreseeable supply as to what the province might be able to allocate for itself or its producers in Ontario.

MR. DOWNEY: Mr. Chairman, we have two staff members that are going to be, or are in Ontario, or on the way to Ontario as of now, we have an office offered to us by the provincial government, a central office in Ontario, plus the Truckers Association have been contacted and that part of the setup is in place; plus the Ontario Cattlemen's Association are working with the staff, identifying different areas where there may be feed supplies available. So we do have staff in place contacting the farmers in that particular area and a central office which has been set up or offered to us by the Ontario government. Full co-operation, by the way, from them, the people of Ontario, as far as accommodating our needs and I think that's the key and we are, as I say, in the process of getting loads on the road, I think that's as far as I can indicate at this time.

MR. URUSKI: Mr. Chairman, could the Minister indicate, I presume the region that's he talking about for hay supplies is southwestern Ontario, I presume is the area that they are . . . Or what area of the province are the hay supplies coming from? If he could indicate what kind of prices the hay is coming in at the present time and what are the prices of the pellets that have been purchased at the Lakehead?

MR. DOWNEY: Mr. Chairman, the areas of Ontario, first of all, there is some hay available in the northern part of Ontario I've had indicated to me, plus southern Ontario. It's too early to, I think, put a price on what it's going to arrive at in Manitoba. As I say, it's difficult to put a price on at this particular time because it's in that process. Pellets, I understand, the information I have is that they're going to cost in the neighbourhood of 65 a ton.

MR. URUSKI: A tonne?

MR. DOWNEY: A tonne. Now, that's the first batch

MR. URUSKI: F.o.b. Lakehead.

MR. DOWNEY: No, that would be a cost to the farmer at the farm. That's the initial product. Now, that price could go up; you know, it depends on how many of them are available through the private sector. We had to move to get a supply on hand. That is basically where we're at at this particular time.

MR. URUSKI: The Minister indicated he couldn't tell us what hay would be arriving. Really, the question I have is, have hay prices in terms of the price of hay within the Ontario region escalated at all with this or what is the price of hay being paid for just on the farm in Ontario at the present time? What are they selling the hay for?

MR. DOWNEY: I'd like to have more information, to be specific at a later time in the estimates if I could, Mr. Chairman. We haven't seen any indication of escalating hay prices in Ontario because of the fact there was a reasonable carry-over. The new crop of hay is just starting to come off. You know, there are several things that are stabilizing it, plus I think the fact that when we heard the weather reports out of Alberta; some of the amounts of rainfall that they're getting in some of the livestock country there would alleviate some of their problems. The region which has to be supplied with additional feed, again, is something we have to keep track of.

I guess, you know, the other thing that we have to remember is that we also are in a period of pasture growth. It's been slow. We don't normally see a lot of cattle go to pasture until the first part of June. So there's been some pastures in the northern part of the province that I think will be able to accommodate a lot of those cattle that now may need some additional supplementary feed for another week, until the normal pasture time is here.

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

MR. A.R. (Pete) ADAM: Mr. Chairman, I believe the pellets that we have purchased at the present time is primarily for the dairy herds or is that for supplementary pasture. I think that's the immediate concern at the present time; it's not for winter feed but rather for supplementary pasture where it is limited.

Speaking to the auction mart in Ste. Rose, the manager of the auction mart yesterday, I enquired from him just what was happening insofar as cattle movements are concerned. Those cattle that are coming in, they're just starting to come in now; the people who are unloading them are selling good stock that they should be keeping. It's just begun last week really and the concern there is because they do not have pasture available. There's one fellow that I know; according to the manager of the Ste. Rose Auction Mart, advised me that he had brought 25 yearling heifers in that he would normally keep, and he's bringing another 25 this coming Friday.

I had a call from the president of the Ste. Rose Cattlemen's Association as well and they were concerned more of the long-term and whether we

were . . . In fact I did speak to the Minister last week about it. They were concerned about us keeping supplies here, what we had, so it wouldn't be sold out or now we see that we're hauling back from Ontario. But I would assume then that the pellets that have come in, where are they going to be stored? Are they just to co-ordinate the need and arrange for a trucking; is that the way it's done?

MR. DOWNEY: I've indicated to the committee that we have some capacity to store them with some of the elevator companies and I specifically said Manitoba Pool have some capacity. I think in the majority of the areas where they are having difficulties the farmers themselves will have their own storage. If it's a matter of taking a direct truckload of screenings, that most farmers who have livestock have some facilities to store a truckload and it's a matter of most of those people who are in need will put them where they can feed them in short order. You know, they aren't buying them because they don't need them and it's not a matter of storing up a long-term supply; it's a matter of making sure that they have some to last probably for two weeks. I think most farm people who are needing them have that kind of storage capacity on their farms.

MR. ADAM: I'm just wondering how this feed is coming through now. Highway No. 1 is closed and several other highways in Ontario. Would it have to come in via the United States or how is it moving, because all traffic has been closed as of this morning, I understand.

MR. DOWNEY: Mr. Chairman, it's indicated to me that they are rerouting and being able to come in via Fort Frances, that there is another route available to them and they are able to get here. That's the information that I have at this particular time.

MR. ADAM: Did I understand correctly that the cost of transportation will be 20 a tonne?

MR. DOWNEY: Mr. Chairman, I indicated that was the maximum that would be paid per tonne for transportation.

MR. ADAM: That's the maximum that we will pay, so anything above that the farmer would have to pay; is that correct?

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

MR. ADAM: I see. Do we have a figure of what the cost is at this time?

MR. DOWNEY: No, Mr. Chairman.

MR. ADAM: No, the tonne, it's a long tonne, is it? 2,200 lbs. for a tonne. That would be, it could be 40 a tonne. Is that what they're talking about?

MR. DOWNEY: No, Mr. Chairman, I indicated earlier to the Member for St. George the maximum would be 20 per tonne for freight assistance.

MR. ADAM: What I'm trying to determine if we know . . .

MR. DEPUTY CHAIRMAN: Just a minute. The Honourable Minister.

MR. DOWNEY: I don't know what point the member is trying to make. I have indicated that there is a maximum amount that we will pay for freight assistance and that is 20 per tonne.

MR. DEPUTY CHAIRMAN: Order please. Maybe if I could just suggest to the Member for Ste. Rose, the Minister has gone through this price mechanism with the Member for St. George and I'm sure that the Member for St. George could give him all that information and clarify points that he may have. Would that be in order? The Member for Ste. Rose.

MR. ADAM: Mr. Chairman, what I'm trying to determine is how much additional the farmer would have to pay . . . ?

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. DOWNEY: Mr. Chairman, I indicated earlier that we were working on a backhaul figure for trucks that were coming out of Thunder Bay, and the figures that we have, available to us from the trucking industry, that it would pretty well pay what that cost of freight was. Now if it was a one-way haul and the farmer were doing it for himself, it might be somewhat higher than that but he could still get paid up to 20.00 a tonne for doing that if he were using his own trucking equipment. But we are basing it on fully utilizing the equipment that's coming back from Thunder Bay at this particular time.

Now I think it's a matter of assessing what the length of time and the amount of feeds that have to be brought in. If that policy has to be reviewed in two weeks or three weeks time then, fine. But to date we see the trucks moving back and we're using them to the best of our ability to accommodate the best use of facilities available.

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

MR. SAMUEL USKIW: Mr. Chairman, I would like to ask the Minister — perhaps he's dealt with it and if he has then he need not reply — whether or not he has been able to quantify the extent of damage to this date, as a result of the drought conditions in terms of either tonnages of production lost or cost of the damage to the farmers in Manitoba and then what his expectations are with moisture or without moisture? It seems to me that we should be in a position, through the field staff, to measure the extent of recovery that is possible should we do receive some reasonable amount of rain in the near future and to what extent it is beyond recovery — I'm talking about hay in particular, both native and tame hay.

MR. DOWNEY: The first indication I can give the member, I have dealt just briefly with it earlier, and that is in certain regions of the province we have seen the livestock go into the rye fields and of course the fall rye, the people with cattle have used that up. The people that didn't have fall rye have

gone to their hay land and anyone that was depending on hay land, if the cattle pastured for too long then, of course, they lost their hay crop.

I guess on a time period that we could still see because when we talk tame hay we could still see quite a recovery of growth if we received adequate rainfall up to the 1st of July because of the normal response of alfalfa to later rains with the first, second and third cut situation. If it doesn't rain for the first cut then the second, you could look for actually what would be a second cut. The native pastures, any native pasture that is pastured down heavily the last fall or even if it wasn't, there is very little regrowth taking place particularly in the southwest region of the province. It just hasn't recovered now. There were showers last night that might have revitalized a little bit of it but, in a general sense, there hasn't been any real good regrowth on the native pasture. Anybody that has depended on native pasture has to go to the hay land, then we're looking at virtually eliminating the majority of our hay crop if it doesn't rain. We're prolonging the situation by bringing in feed and holding cattle off hay lands.

I think to quantify the total picture is a little difficult this time. However, our staff at this point, more work has been put into trying to distribute and make sure people have immediate supplies available but that's a point that has to be picked up and monitored to try and get a reading on, where we're at. I know the Chairman of our drought committee, Mr. Ed Hudek, in his overall work that he is doing is that we have to put every effort forward to use areas that can be irrigated; that we can use our alfalfas that can be irrigated; to use our supplies of water that are known, to increase the total feed supply wherever or however it can be increased. I indicated, before the Honourable Member for Lac du Bonnet was here, that any ideas from members of our side of the House, the committee sitting here during these estimate debates, if they have ideas or specific proposals that may work to help increase the total supply, or identify areas that may be worked on, I'm sure they're welcome because we don't have a monopoly on how to increase total feed supplies in all areas. As rural representatives, if you have input, it would be valuable to our committee as it is to me.

MR. DEPUTY CHAIRMAN: 5.(a). The Honourable Minister.

MR. DOWNEY: If you have a binful of alfalfa hay in your constituency that you don't need . . .

MR. USKIW: Mr. Chairman, I'd like to ask the Minister whether or not he is now in a position to indicate what influence this is having on the BIAP Program, which his option so-called, and it has been open to May 31, whether it has accelerated the selling off and the withdrawing from production, or whether it has had any impact on the existing clientele of the BIAP Program?

MR. DOWNEY: No doubt, Mr. Chairman, the deadline of May 31st would make your decision up as far as paying back funds to the province or not, has to be assessed. I think that, particularly in light of no pasture growth and cash outlays, it may have to be placed for to purchase feed supplies. Again, that's one of the decisions that I think could cause a

hardship or create a hardship on those people who may have to find additional funds, and it was indicated to me today that particular individual — I would have to say that we've had good response and I haven't got an update as of today but we've had pretty good response on those people that have opted out, but again, some people may not have the ability to pay back those funds before the 31st and activate their option. So again, as I indicated today on the radio phone-in show, that's one of the things that we would be reviewing and be doing it very quickly because, in fact, it isn't common sense on one hand to put programs in place to help the cattle industry and on the other hand penalize them by having to pay funds back.

MR. USKIW: That's the whole point of my question, Mr. Chairman. If people are responding to the Minister's suggestion as to how to deal with the BIAP Program, they obviously are going to have their response somehow modified by their abilities, or lack of abilities, because of climatic conditions. So, let's give the individual the position of wanting to respond but not being able to. It seems to me that's a fair question to put to the government for review because it may be very counterproductive to make those demands under these kinds of circumstances. So I hope the government is taking a good look at that before they take another decision on that question, with respect to those that are volunteering their payments back. It's not that I'm recommending it though, Mr. Chairman.

MR. DEPUTY CHAIRMAN: 5.(a)(1)—pass; 5.(a)(2)—pass — the Member for Ste. Rose. 5.(a)(2)? We're on 5.(a)(2).

MR. ADAM: We're on 5.(a)(1).

MR. DEPUTY CHAIRMAN: No, we're on 5.(a)(2), I'm sorry.

MR. ADAM: It doesn't matter anyway. I'm wondering why they have to increase . . .

MR. DEPUTY CHAIRMAN: Pardon?

MR. ADAM: There's quite an increase there on the salaries. I'm wondering . . .

MR. DOWNEY: Mr. Chairman, it's a normal salary increase. It's just a normal salary increase, Mr. Chairman, that we're . . .

MR. ADAM: Is this the department that organizes meetings, extension meetings or seminars in the rural areas?

MR. DOWNEY: Mr. Chairman, this is the Agricultural Extension Service ag. reps.

MR. ADAM: Do they organize other work? Whatever they do, like do they organize meetings, seminars, and so on?

MR. DOWNEY: If they're required to, yes, Mr. Chairman.

MR. ADAM: I understand that there have been some meetings organized in some areas and I am

referring in particular to meetings in Brandon. Has there been such meetings organized in the Brandon area by this department?

MR. DOWNEY: Not in specific unless it's an ag. rep. meeting with farmers or some specific thing, not any different than in your area or in any other area. It's his way of communicating with farmers. If he wants to have a meeting with farm people then he organizes it and has someone in to . . . It's a matter of an extension process that he has available to him.

MR. ADAM: There has been some fairly substantial meetings, I understand, where guest speakers have been in. Mr. Deveson and others have been invited to take part in those meetings. I'm referring to meetings sponsored by the department.

MR. DOWNEY: I think to be more specific to the Member for Ste. Rose, who is wondering about the meetings, I think he is referring to meetings that have been held at the Agricultural Extension Centre in Brandon, whether it be the Outlook Conference or whether it be specific, where he refers to a special speaker coming in, those kinds of meetings are usually set up and organized by the principal of the school at Brandon, the principal of the Ag. School.

MR. ADAM: The principal of the school?

MR. DOWNEY: Of the Agricultural Extension Centre, Mr. Chairman.

MR. ADAM: Have we had people there as well from the department?

MR. DOWNEY: Yes, Mr. Chairman, that is the centre for the Agriculture Department in Brandon and ag. rep., the specialists, and it's really the regional office in Brandon.

MR. ADAM: I've been receiving reports in regard to some of the meetings being held in Brandon and some of the farmers were complaining that they thought the main thrust of these meetings was to . . . They spent a lot of time talking about alternate marketing and rationalization of transportation and so on and the impression that some of the farmers are getting is that the meetings are designed to downgrade the Wheat Board and also to try and condition the farmers to accept higher freight rates as opposed to the Crow rate, and so on.

MR. DOWNEY: Mr. Chairman, I don't know whether this is particularly the area where this should be debated but I can only respond to the member briefly on this and that's any reference that he may make to educational programs, I don't think because the department has set up a meeting and tried to provide information to the farm community that in any way, shape or form they are trying to condition or make anyone's mind up. I think it's a matter of exposing to the farm community different people.

If the Member for Ste. Rose is indicating that the president of Manitoba Pool Elevators, for example, is in any way trying to destroy the Canadian Wheat Board by him speaking to them, I'd have to totally disagree with the Member for Ste. Rose because I know the president of Manitoba Pool Elevators, who

spoke at one of the seminars, is a very strong supporter of the Canadian Wheat Board, so what I think what he is saying is not totally correct. I think what the process that's been going on at the Ag. School is to put on topics that are of interest brought forward by farmers; brought forward by Agro business; brought forward by the department, so that they can be truly debated in a farm group, not in any way to change anybody's ideas but at least to totally inform everyone what is going on. And that is the process that I see taking place.

MR. ADAM: Mr. Chairman, at no time did I say that Mr. Deveson was attacking the Wheat Board.

MR. DOWNEY: Well, you didn't say . . .

MR. ADAM: I just said that there was meetings which he had been invited to and other people besides him. The impression that is left with farmers, and I've had people tell me who attended these meetings . . . Sure, Mr. Deveson may not have attached the Wheat Board but he certainly attached the Crow rate and he was told in no uncertain terms at some of these meetings by some of the farmers that they didn't feel that he really and truly represented the best interests of the farmers.

The point I am trying to make is that these meetings are sponsored by the Department of Agriculture and the impression that's being left with the community is that they're designed to condition farmers on alternate marketing and also to try and condition them to accept the change in the Crow rate. This is the point that I am trying to make and I am just wondering whether our department should be doing that. We invite the kind of people at those meetings to speak and that's the way they speak.

MR. DEPUTY CHAIRMAN: I think on the point of order, to the Member for Ste. Rose, I believe we're talking about (a)(1) Agricultural Representatives and Salaries. This is what you're on. I don't see the relevance of the comments the member is making on these grounds, but really, we're on (a)(2) which is Other Expenditures. I've given the Member for Ste. Rose a bit of leeway here but, as I said, we're really on (a)(2) which is Other Expenditures and I would appreciate if the member would want to make some comments on that.

The Member for Lac du Bonnet on a point of order.

MR. USKIW: Mr. Chairman, on a point of order. It seems to me that (a)(1) and (2) is the administration expenditures for the whole of that section, including the ag. reps., if I'm not mistaken. But in any event, when you're dealing with Agriculture Extension, which involves meetings, you can discuss that either specifically under certain headings or you can discuss that under Salaries or Other Expenditures of the administration. I don't believe that one precludes the other, Mr. Chairman.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. DOWNEY: Mr. Chairman, on the point of order. I don't mind the questions but I think it should

be kept into perspective here that we have already dealt with that part of the estimates, as far as the Ag. Extension Centre is concerned, which is what the member is referring to.

MR. USKIW: Oh, I see, the Extension Centre in Brandon?

MR. DOWNEY: That's what he was asking the questions on and I think we're out of order by dealing with it because we've dealt with it although I don't mind dealing with it but I think it's a little out of order at this particular time.

MR. USKIW: We can deal with it under your Salary.

MR. DOWNEY: That's right.

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

MR. ADAM: Mr. Chairman, under this item, organized meetings, and not only at the Extension Centre in Brandon but in other areas, and what I am saying is that the impression that the farmers are receiving is that somehow the department is trying to get a point across and this is why I'm registering this today. Complaints have come back to us that the department is trying to promote alternate markets as opposed to the Wheat Board and also the undermining of the Crow rate and I don't see why the department should be involved in that. That's up to the farmers. That's all I'm going to say on that.

MR. DOWNEY: Mr. Chairman, I think I clearly stated a few minutes ago that the ag. reps. weren't used for this purpose, that it was the Ag. Extension Centre and the principal organizes the meetings and I am sure that hasn't been any different under our government than it was under the previous, that there were extension programs, the Outlook Conferences, and they use that facility in that regard. The ag. reps. aren't used to do one thing or the other at these meetings. They organize their own meetings in relationship to local regional problems that they have or whatever. It's just a matter of their method of extension. There's no direction to have them have specific meetings on anything.

MR. DEPUTY MINISTER: I think the Member for Lac du Bonnet was first.

MR. USKIW: Mr. Chairman, I don't want to make a big point of the point that the Member for Ste. Rose raises except that I think it's fair to say that there is nothing precluding an ag. rep. from organizing a meeting that subsequently picks groups of people or individuals to attend the other meeting at the Extension Centre for the purposes of debate or propaganda, whatever it is, that the department wishes to be carried on. So that in that context the Member for Ste. Rose is quite right. If ag. reps. have been utilizing their own discretion in talking to their clients, either in groups or as individuals, and giving them some encouragement to attend a function at the Brandon Centre wherein they discussed the merits or otherwise of board marketing, or whatever,

or open market, then the Member for Ste. Rose is quite right if he wishes to debate the point.

I don't know of any example so I don't know whether it has occurred or not. The Member for Ste. Rose believes that ag. reps. have been involved in this way and logically they may have been involved on their own initiative, not necessarily under instruction of the Ministers. But the fact that they are involved and on the public payroll makes it a legitimate point of discussion if the Member for Ste. Rose so wishes.

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

MR. USKIW: I'm not finished.

MR. DEPUTY CHAIRMAN: Oh, I'm sorry, I thought you were.

MR. USKIW: I would like to ask the Minister just why it is he is involved in another project with respect to sheep production in Manitoba. It's a project under the Agro-Manitoba Agreement.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. DOWNEY: Mr. Chairman, on a point of order. I believe there is a place further on in the estimates to deal with the Agro-Man Agreement under 8, and we could respond to it at that particular time.

MR. USKIW: Under . . .

MR. DOWNEY: Canada-Manitoba Value-Added Crops Production Agreement, Mr. Chairman.

MR. USKIW: Okay, no problem.

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

MR. URUSKI: Mr. Chairman, just a couple of questions I have yet relating to the assistance on the Drought Program. Could the Minister indicate whether this program is to be cost-shared with Canada?

MR. DOWNEY: Mr. Chairman, there have been meetings taken place and, yes, there is anticipation that it will be cost-shared on a 50/50 basis.

MR. URUSKI: I just wanted to make sure; for the entire program for the transportation assistance on both, Mr. Chairman?

MR. DOWNEY: All indications that I have had so far, Mr. Chairman, is that we are negotiating with the feds and have requested it some time ago and haven't had response from the federal Minister. The program that we're talking about at this time, it would be cost-shared.

MR. URUSKI: Mr. Chairman, I wanted to know how this assistance in terms of dollar per tonne of feed, when this formula was arrived at I presume that previous assistance programs were looked at; how does this compare to what was in place in '76 and

'75? There were two years. One year was a wet year assistance program and I think the following year was a dry year assistance program, in terms of assistance similar to what we have now. How does the feed freight assistance compare now and as it was previously?

MR. DOWNEY: Mr. Chairman, it's not exactly along the lines or specifics along the lines of the last program but I think it's been updated a little bit for the increased cost of freight and that type of thing. So basically on the freight and the programs, they are pretty much along the same as they were, only we're dealing with a little bit more cost of transportation and that has been accounted for.

MR. URUSKI: Mr. Chairman, there is no intent on the government's part to provide assistance in terms of actual feed costs at this time?

MR. DOWNEY: Not at this time, Mr. Chairman, but again it's a matter of the length of time and the period at which this drought persists and other things that can be done, and I go back to my statement, what other programs we can introduce to produce more here in Manitoba rather than having to move all quantities in if we can encourage other ways of producing more feed then it reduces the amount that has to be hauled in and paid for in that manner. So it is a matter if we can encourage other forms of production through irrigation or that type of thing then it offsets the extended period of time in which governments have to provide assistance.

MR. URUSKI: Mr. Chairman, the Minister indicated they are moving on alternate sources of production right within the province of Manitoba. What courses of action does he propose to take, for example, let's use his example, like irrigation? Is there equipment on hand that the Minister has been able to purchase and set up either a committee to move throughout the province, or a group to move throughout the province, to do some irrigation, or is he utilizing the central purchasing mechanism that is at his disposal to buy equipment at cost and allow farmers to pick it up at next to cost? What are the mechanisms that he's using to, as he's talking about, encouraging irrigation, what kind of moves is he making in this respect?

MR. DOWNEY: Mr. Chairman, first of all, there is an assistance program on source development that will help pay for the development of a source under Agri-Water Program, that's No. 1. No. 2, we've had indication from the people who provide irrigation equipment that there is a reasonable supply of equipment available in the province. I guess No. 3 is that individuals who may have to, or who want to irrigate, first of all, we have to make sure that there is water for them to use, either streams or groundwater, and the Department of Natural Resources, who control the water rights or the identification of where underground aquifer are available, that we will do everything we can to identify them and find out who is interested and who isn't. I know of specific areas that have been identified, people know there is water there to a certain extent, but how much, and there is a

reluctance, particularly when it comes to spending a lot of money by an individual farmer to pay the cost to get into irrigation. Now as far as testing the water, the wells, the capacities, that can be done, in some cases if it is being done it's a matter of trying to quantify and give assurance to that person who may want to even invest, that there are supplies there. That's the kind of thing we can do at this time.

We haven't any other programs at this point, and I refer to them as subsidized programs, to provide for people wanting to irrigate. However, I think that if this were to persist and we were to have to look at that kind of a policy that I'm prepared to do so.

MR. URUSKI: Mr. Chairman, the Minister indicates that the Agri-Water Program will help farmers to develop irrigation sources for their crops, I think that's the general tenure of the announcement in terms of the supply of water, maybe he's been misquoted. I'd like to throw out another suggestion to him. There probably are some streams which are spring fed, however, their flow may be of such a nature as not to provide a large volume of water unless the water was ponded or dammed in certain areas and could supply a fairly good size of pool for some areas; whether grants of this nature, while the source is there but really the source isn't because they cannot pound or pool the water; whether the assistance could be provided for the construction of dams, if necessary, and if approved by the various agencies to have a water source. Because while the water may be flowing through there, it's availability is lessened by not being able to have a head on it that could provide the amount that may be necessary for irrigation or whatever is necessary.

MR. DOWNEY: You know, the suggestion the member has made, as far as I'm concerned is a good suggestion. I think that some of the things that have to be done are longer term programs. We have in place the PFRA dugout filling and construction program but again there have to be some other areas that can pond water, identified on a longer term basis and it's unfortunate that we get in these situations where we do without having them in place and it's a continual process, there have to be priorities placed on them. I think it's a matter of again the environmental conditions that are upon us that bring our attention to the kinds of needs that have to be put in place for longer term protection of, not only of the agricultural industry but the total agriculture and rural and urban communities.

MR. URUSKI: Mr. Chairman, I hope in raising these points that we have raised that the Minister has some idea and is prepared to, I think, be fairly bold insofar as feed supplies and making sure that he doesn't become what I would consider overly conservative in obtaining or being able to move afield and secure supplies of feed, while on one hand being worried that rain next week may solve all the problems that he has. I would hope that he's prepared to move ahead, secure as much as can be reasonably determined by his department and bank the feed because it appears, that while his staff are in the field, there have been no moves in that respect other than the small quantity of pellets in terms of a thousand tonnes. And we know that at

the present time it certainly doesn't look good and no matter, even if the weather changes, I don't think the Minister could be criticised for making sure that an adequate supply of feed is on hand to protect the resource of cattle that we have within our province; so that he doesn't get caught up in any great hangup about not being prepared to commit the province to adequate feed supplies so that our cattle numbers are not forced to decline by the weather situation that we have today.

MR. DEPUTY CHAIRMAN: The Member for Ste. Rose on (a)(2)?

MR. ADAM: Yes. The Member for St. George has covered some of the area as far as the policy on transportation assistance is concerned. I just wanted to clarify whether or not — the way it was the last time where the farmer paid the first 25 miles. Does that still remain the same?

MR. DOWNEY: The member says specific 25 miles, that the farmer paid the first 25 miles?

MR. ADAM: No, I think the farmer paid the first 25 miles and I believe and anything above that . . . I wanted to know whether there was any major change in the . . .

MR. DOWNEY: Mr. Chairman, I indicated earlier that it's a 50 mile distance, the feed has to come from more than 50 miles. The first 50 miles is not paid for by the province. That if it's available within 50 miles there is no assistance, over that 50 miles there is.

MR. ADAM: Full?

MR. DOWNEY: Full, to a maximum of 20 per tonne.

MR. ADAM: Over the 50 miles?

MR. DOWNEY: That's right.

MR. ADAM: I see. I understood before it was the first 25 miles was exempt from assistance. So this is a major change if it is 50 miles.

MR. DOWNEY: I think, Mr. Chairman, if it was different, and I will check that out, if it was different, if the feed supplies were available within the province and it was a matter of internal distribution within Manitoba, this is a lot longer distance it would have to be moved and there won't be many feed supplies within the 50 miles radius, so it's coming from a long distance and that's the reason, Mr. Chairman, if there is a change why it was changed.

MR. ADAM: I wanted to make sure that there wasn't a change. If there's a change there from 25 to 50 that's a major change and additional cost to the producer but I just point that out. I stand to be corrected, the department can check it out, the Minister will check it out and if it is felt it should be the same as it was before, well that's fine, if not . . .

MR. CHAIRMAN: (b)(1)—pass — the Member for St. George.

MR. URUSKI: Just on that point, Mr. Chairman, if I understood the Minister correctly . . .

MR. CHAIRMAN: 1.(b)(1) . . .

MR. URUSKI: Well, Mr. Chairman, I don't know how we got off 5(a)(2) yet.

MR. CHAIRMAN: Well, I passed, we were on 5(a)(2) that's what we were discussing.

MR. URUSKI: Well, Mr. Chairman, do you want us to have our hand up steady, or can we go on and then when we're finished we just . . .

MR. CHAIRMAN: I thought the Member for St. George had finished before and the Member for Ste. Rose came after. I thought the Member for St. George had completed this questions on this particular portion of the estimates.

The Member for St. George.

MR. URUSKI: Thank you. I just wanted some clarification from the Minister that under the assistance program that if the feed supplies, which as he indicates likely will be from a distance greater than 50 miles, mile one of assistance will be covered under this program if the feed distance is in excess of 50 miles?

MR. DOWNEY: No, Mr. Chairman.

MR. URUSKI: Actually then, Mr. Chairman, the assistance covers mile 51 return in other words, or mile 101 return per tonne mile. How is it? On the return basis or how is the formula worked out?

MR. DOWNEY: The formula is consistent, Mr. Chairman, with last programs —(Interjection)— That's right, it's a loaded tonne mile that we're talking about first of all and it's the same policy as prior to this program, that it's no freight on the first 50 miles of a load coming towards the farm unit but if it was 750 miles it would be freight on 700 miles paid.

MR. CHAIRMAN: 5.(a)(2)—pass; 5.(b)(1) — the Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. Could the Minister indicate the thrust in this area?

MR. DOWNEY: Mr. Chairman, the area we're talking about is the Regional Production Specialists, really the major areas of thrust of course are in farm management, to ensure that the department is keeping fully abreast and supporting the farm community when it comes to using management decision tools that we again have identified, in my opening comments, the livestock industry and the crops specialist to work with the value-added crops, corn production, those are the main areas and all the livestock areas to support the total livestock industry. I suppose basically, Mr. Chairman, I don't believe there is any change in staff complement as far as the total specialists are concerned, we are sitting with the same amount as I indicated earlier of total staff.

MR. URUSKI: Mr. Chairman, would the program of leaf cutter bee be under this program or would these

group of people in the production specialists be primarily dealing with livestock, poultry and sheep?

MR. DOWNEY: Well, if the member could indicate if it's a specific program that the leaf-cutter bees, or organization are working with, otherwise it would fall within the entomology department of government.

MR. URUSKI: Mr. Chairman, I believe that's likely the case with the entomology department. I raised this matter with the Minister by letter last year and there was — I have to thank him — some movement within the department to set up a program dealing with research and development in terms of the leaf-cutter bee program dealing with alfalfa seed production within the province. In fact, that's an area that's been widely developed and expanded because of the lessening amount of disease-free bees in the province of Manitoba, and this research has proved very valuable for this group of people.

MR. CHAIRMAN: 5.(b)(1)—pass; 5.(b)(2)—pass; 5.(c)(1) — the Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman.

MR. CHAIRMAN: It's maybe very close to the hour anyway and I just remind the committee as it was agreed that we would go back to Resolution 8, 3.(a), (b) — it isn't marked — first thing at 8 o'clock.

MR. URUSKI: Right, that's agreed.

MR. CHAIRMAN: The committee rises for Private Members' Hour, and will return at 8 o'clock (tonight).

SUPPLY — COMMUNITY SERVICES AND CORRECTIONS

MR. CHAIRMAN, Abe Kovnats (Radisson): This committee will come to order. I would direct the honourable members' attention to Page 21 of the Main Estimates, Community Services and Corrections, Resolution No. 32, Clause 6. Social Security Services (a)(1) Salaries—pass — the Honourable Minister.

HON. GEORGE MINAKER (St. James): Mr. Chairman, if the committee would allow me to provide answers that were raised under the other sections. I had promised I would get them for the Honourable Member for Transcona as well as the Honourable Member for Seven Oaks. The one question related to item 3(b) and the Member for Transcona questioned the reduction of recovery from Canada under the Regional Personal Services Program from 2,517,000 in 1979 to 2,355,000 in 1980-81 under the Canada Assistance Plan. Mr. Chairman, I would like to advise the committee that the 1979-80 estimates of 2,517,000 includes CAP recoveries on sharable costs, funded through Community Health Centres. These centres are included in the Department of Health Estimates for 1980-81 with recoveries from Canada estimated at 380,000.00. The comparison of total recoveries for both programs is therefore, if we added in the Department of Health Estimates, would be 2,735,000 for 1980-81 versus 2,517,000 for 1979-80. I can

forward the written copy over to the honourable member for his information.

With regard to the question raised by the Honourable Member for Seven Oaks. Correction, before we deal with the Honourable Member for Seven Oaks' question. Through you, Mr. Chairman, to the Honourable Member for Transcona, with regard to the other matter relating to his constituent, I will get him that information back in a confidential manner.

With regard to the question raised by the Honourable Member for Seven Oaks, relating to a cost per patient day comparison for the Manitoba School, the St. Amant Centre and Pelican Lake Centre over the past three years from 1977-78, which will be final figures, and 1978-79 which again will be final figures and the 1979-80 will be the interim rate until we have the final budgeted amounts. The Manitoba School daily cost per patient day for 1977-78 was 39.20; in 1978-79 it was 40.31; in 1979-80 the interim rate is 44.31. Following the same year pattern for St. Amant Centre in 1977-78 it was 48.52; 50.33 and 55.25. In Pelican Lake Centre the 1977-78 is 38.73; 40.99 and 44.00. The percentage increases from 1977-78 to 1979-80 for Manitoba School is 13 percent; for St. Amant Centre is 13.8 percent and for Pelican Lake Centre 13.6 percent. I believe, Mr. Chairman, just to check myself, the Manitoba School — did I indicate 13 percent increase? Okay. The only thing I would like to note that for the Manitoba School costs include an estimate for maintenance, utilities, heat, etc. which are provided by and funded by the Department of Government Services. So we just have an estimate in there for that so it could, in actual fact, have been higher.

MR. CHAIRMAN: Is that a copy for the government member?

MR. MINAKER: Yes.

MR. CHAIRMAN: To the honourable members. I would suggest that maybe we proceed on the item that is under debate at this point which is Item 6. Social Security Services (a) Administration (1) Salaries—pass — the Honourable Member for Seven Oaks.

MR. SAUL A. MILLER: Mr. Chairman, I wonder if at this time the Minister could indicate to the House the impact of the new programs, how it will dovetail with the existing administration. I'm thinking of the CRISP Program, the SAFER Program, the new level or the integration of social allowances based on the different revenues, different incomes now being taken into account, like family allowances and so on. Something which, in the past, could not be taken into account, wouldn't be taken into account. And the Minister of Finance's indication that to meet that problem the threshold or need would therefore have to be raised so that no one would be worse off than they are today when that program goes into effect. I wonder if the Minister could give us some indication today on these programs and how it effects his department.

MR. MINAKER: Mr. Chairman, as the honourable member has indicated, there's a number of new programs that have been introduced with the Tax Credit Reform White Paper. At the present time the administration of the Finance Department, the administration of our department, as well as the administration of the Minister of Economic Development responsible for housing — I believe that's the four involved — have been meeting to review the integration of all of these new tax credit reforms that are being proposed for those in need and it is the intention, in the next week, my understanding is that we, as Ministers, will be getting together to look at the different steps of integrating these programs together. The one thing that has been clearly indicated in the budget was that anyone on social allowance would not have a benefit reduced when we look at recognizing that any income to a person would be included as a part of the income. So that if we start to add in say, family allowance now or the child tax credit or any type of credit like that as part of the revenue, we will in turn then on the opposite side, if we set up their budget of how many dollars they should get, under our present regulated rates and then we look at the incomes that we now accept and recognize we get a dollar figure. Say in the instance of an individual, single person, when we look at food and clothing and household and personal amounts that we allow, you are looking at about 178 under today's program, approximately. Then if the person also gets the shelter allowance for rent of 150, you'd be looking at say, approximately, for the individual 328 in social allowance income under the present system. Then we would budget their needs at 328 and we'd look at their resources under the present system. They might have zero resources as far as the income that they might receive and we would say that individual is entitled to 328.00. Now under the new scheme we would still look at their basic needs of food, clothing, household personnel at 178; but then we would look at any family allowance.

Say, in the case of the individual, obviously they wouldn't have a family allowance but say they were receiving shelter of 150 and then the cost tax credit of say 200, then you'd end up with an income of roughly 528.00. If you look at the budget needs of 528, we would increase that 328 over here up to 528 because they're receiving an outside source of 200, say. So we would increase that allowance that we would give them by 528, so that's their needs now, and we would subtract the resources of the 200 they might be getting under the shelter or whatever other program that is introduced new and they would end up in the budget of receiving 328.00. So this is basically the way that we are approaching it.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, I think I follow the Minister and what he basically is saying though is that the threshold for qualification is therefore being raised because they're including in the estimates of income for that individual not just the traditional income or revenues which is work from a job or one thing and another but they're including in that the Cost of Living Tax Credit, Property Tax Credit,

SAFER benefits, CRISP benefits of their children, family allowances, etc., etc.

So therefore what you're doing in Manitoba is increasing the threshold for admittance into the program because at the present time each case is decided on its own merits. The person comes along, they show nil income, or they show a very minor income and, based on the income the calculation, as is indicated here, is then done and the requirements for food, clothes, personal needs and shelter, depending on the size of the family, are taken into account and, as the Minister indicates, 328 per month is the amount that could be paid out, depending on what revenues or what income that person has. Now the person will have adjudged to have a revenue by virtue of other programs including federal programs, so in order not to cut anyone off or reduce the amount they're getting, they are going to be raising the threshold at which a person will qualify.

If that is the case, Mr. Chairman — I ask this question because I don't know the answer — will it mean that someone who is not on welfare but is in fact earning the minimum wage or very close to minimum wage, by raising the threshold, and because they are working and getting something, their benefits under the various federal and provincial and municipal tax credit programs won't be as great, that they therefore might now start qualifying for social allowance benefits? I'm wondering if the Minister has looked at that or his department has looked at it.

MR. CHAIRMAN: The Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, just a brief comment. I sometimes find it confusing to follow the debate because of all these abbreviations of SAFER and CRISP and so on and so on. I think it would help sometime if they were spelled out and I would refer to this as acronymous debate.

MR. MINAKER: CRISP is Child Related Income Support Program. I don't know whether the honourable member was serious when he was raising this question or not. The other one I believe is Shelter Allowance for Elderly Renters, SAFER.

Now in answer to the Honourable Member for Seven Oaks' question, there is a possibility that people might qualify for social allowance. It's a complex question that the administration group that we described earlier, are dealing with at the present time, and will become an integral part of moulding in of this whole program. The discussion is still being held with regard to what departments will be responsible for the implementation of this program and recommendations will be forthcoming in the immediate near future on this. Whether some of these programs will end up under the financial departments, this is the implementation of the programs, or whether they will end up under our department, there is that possibility, but some people who may be receiving SAFER and CRISP, could go off the welfare roll as well. The fact that we will now offer the SAFER program to low income families with children, that they may in fact go off the welfare program.

MR. MILLER: Mr. Chairman, since the purpose of the tax credit reform was to rationalize these programs and to try to get away from all of the different programs, the plethora of programs that existed, the maze of documentation that has to be filled out, the applications, etc., etc., and what the Minister tells me, it seems to me there's going to be even more. Trying to pull all of these together, there are different programs, different applications have to be made, different forms have to be filled out and it seems to me what you're heading for is very administratively difficult programs to bring into being and to oversee.

I know that at the present time the social allowance program is quite difficult in itself, but at least it's limited in what it takes into account and it's easier to, therefore, ride herd on it. Even with that there are problems. Now with the introduction of new programs which will be taking into account and yet ignored in the final payout in as sense, so that the people shouldn't get less, then it seems to me what we're heading for is almost an administrative jungle here, of different groups and individuals having to apply for different things hoping to qualify. Certain revenues have to be taken into account. How that's going to be done? Is it going to be done on last year's revenue? Is it going to be done on anticipated revenue within the current year? Because the cost of living tax credit is something you earn when you qualify when you file your income tax, but it's based on the tax of the previous year, when you file for the tax of the previous year.

Same as property tax credit, not the basic minimum, but the maximum. Is that going to be done, as I say, retrospectively, in anticipation? Frankly, I would say to the Minister, looking at moneys provided for salaries under Administration, I see there's a cut, and frankly with what I've been hearing and what I see in the White Paper you're going to need more than you've got here unless it's done in another department or in other departments, that may be. But certainly as far as this branch is concerned it seems to me that what we're adding is, we're adding to the maze that people have to go through, the hoops they have to jump, the various and sundry forms that have to be filled out and, if the Minister is correct, maybe even by different departments; that a certain program be operated through MHRC; another department would be operated through the Finance Department; another one through his department. And I tell you instead of rationalizing it, I think what has happened here is a new maze of programs have been developed which are going to make it much more difficult for people to take full advantage of it, and because we know that people at the lower income levels are not the most sophisticated, that there may be many people who just won't get around to knowing where to go and how to get the information; and even though there will be an Information Services, that doesn't resolve anything, they still have to go through the procedures of filling out the proper and adequate forms and then having them needs-tested against whatever criteria have been established.

MR. DOWNEY: Mr. Chairman, I can agree with the honourable member in regard to the fact that there will be more administration required in this program

than with the general tax credit type of program. But I know the honourable member is aware of and was part of the debate that we just ended on Friday, was the fact that we felt as a government that we wanted to target in on those people who we thought needed the money and assistance in these various programs and recognizing that there was going to be more administration required for this type of a program, but felt that in the long run that it would be best for the people of Manitoba that we gear in to those that are in need and provide this money to them rather than the shotgun approach that had been accepted for the past number of years.

I can advise the honourable member that the present estimates before us do not reflect any additional administration that might be required — and I underline might be required — for additional administration because at the present time many of the questions that the honourable member has raised are premature. I am not able to answer them in detail with regard to certain implementations of the programs and that is why we have certain programs starting up prior to others. As the honourable member recognizes, the first program that is starting up is the Day Care and the Noon and After School Program in September of this year, because we are basically organized and set up to carry through this program, whereas the other ones are to be implemented on January 1, 1981. During this timeframe, between now and January 1, 1981, the many questions that the honourable member raises, we will have resolved and hopefully all of them will be resolved.

I agree with him that if it comes under our department, we will be after more help to administrate this, whether we second them from the Finance Department or from the Economic Development Department, who are now presently looking after SAFER; and these general recommendations will be coming before those Ministers who are now presently handling some of these programs and will, in final, be recommended to the Cabinet. We've got a lot of work ahead of us over the next few months and some of our staff have a lot of work ahead of us and we recognize that.

The one thing we have to concern ourself with is that we don't want to jeopardize in any way the federal cost-sharing arrangements we presently have, we want to maximize them to the fullest. So some of the questions the honourable member raised earlier, these will have effects in making sure they're implemented correctly and how they're implemented and who qualifies, and so forth. I think, primarily, those were some of the questions that had been raised by the honourable member.

MR. DEPUTY CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, after listening to the Minister I have to then assume that the advertisement which ran — I think it was on Friday — advising people of the new programs and asking them to phone in or write in for information booklets, but in fact those booklets — they're not ready yet — so the advertisement really wasn't information for a program because it was just an announcement that there will be a program because the Minister

indicated that it's not till January 1st that this particular one comes into being.

Mr. Chairman, again I have to say that this government has prided itself on being good managers and being critical of the layers of administration that tend to redirect money from the field to the bureaucracy, and yet what I hear today is an admission — and I think I commend the Minister for admitting it, that in fact what we're going to witness is more administration, more checking and cross-checking, and whether it's done through one department or three departments or four departments, there will be more staff needed to simply do the paper work that's required.

The regional offices are certainly going to have to be knowledgeable about the various forms and whether the money flows from that department or another department, in the final analysis the case work, the load, is in the field and these people, the social worker, the welfare worker, the intake worker, is the one who's going to have to handle all of these things — not just to understand them — but handle them all and then proceed to process the paper back to the central office.

Mr. Chairman, the Minister indicated correctly that they have a concern that they not lose any federal funds under the Canada Assistance Plan and I agree with him. He's got to be very careful there, because you cannot simply set your own ground rules and expect the federal government to continue to pay. But I'm sure they'll do that. I'm wondering whether, in fact, this government feels that by raising the threshold they may in fact be able to get greater federal funding under Canada Assistance Plan; whether in fact by using let's say the cost of living tax credit or the property tax credit, or better still in the case of a family, family allowance, showing that as income, as revenue, and then paying — and yet ignoring it in the final payout — but by the arithmetic of it whether the Minister thinks he can somehow get federal cost-sharing on part of that family allowance, which is really a federal payment?

MR. DOWNEY: Firstly, Mr. Chairman, I would like to advise the honourable member that the document or the pamphlet that he talked about that was in the advertisement, will be available in the immediate future or —(Interjection)— for sending it out. And also I would like to say that the objective of the program is to have the location, whether it be by mail or physically you go into get the different programs provided to you, will be centralized, that's the objective of it, that it'll be as convenient as possible and would be, as was once described, a one-wicket type of approach where you would just go and deal with the one person to deal with all of these types of social programs that are available to an individual, rather than having to go to four or five different departments, so the basic objective will be that it will be centralized as far as where the recipient would go or could mail for the information or get the information. I would just point out to the honourable member that when you do go into a more comprehensive social program like we have done here in this instance, that obviously there will be some need for additional staff. I think I would be kidding myself if we didn't agree to that. To what amount, we do not know at this time because, as I

said, possibly some might be seconded from different departments who are providing this service at the present time. The only thing I would indicate to the honourable member that when they were government, when their Day Care Program came out and also their Home Care and MMC was introduced, that people responded to it. We have confidence that the people will respond in the same manner to these new programs as they did under their administration.

I might point out with regard to the question on the federal cost-sharing that my staff will be going to a conference, I think it's next week in Whitehorse, and the subject will come up at that time in discussion with the federal people. As far as the details on whether or not they would count Family Allowance, I would question that. You know, let's be practical, but I'm not prepared at this time to deal with it in details as to what cost-sharing the federal people will take part in. As a said, our main criteria is to maximize the cost-sharing with the federal people to its maximum.

MR. MILLER: Mr. Chairman, certainly the province is always trying to maximize its cost-sharing with Ottawa, but I would simply — it's not up to me really — but I would caution the Minister to be very careful that in dealing with this and trying to bring these programs into being that great care be taken in advance to make sure that what is used in calculations does not impinge on the Federal Act, because you wouldn't want to be in a position a year from now when the federal government comes back and claims an overpayment of the half-a-million dollars or a-million dollars. Avoid that at all costs. But, Mr. Chairman, the suggestion that it will be a centralized office and so on sounds very good. You know, it sounds like it's been set up by a bunch of management consultants. You're dealing with people who are on welfare. They're not going to come one central office, you can't simply do it by phone. Applications for social allowances have to be scrutinized and the welfare worker has to check it out. You just don't accept an application by phone. So it's in your regional offices throughout Winnipeg and elsewhere, all through Manitoba, where these applications have to be accepted. The questionnaires have to be filled out; the application has to be properly filled out. The final paperwork may be done in some central office, but the contact between the recipient, the individual, and the system has to be in the various offices. I can't conceive of, unless the Minister is saying that people are going to have to go from some part of Winnipeg down to his central office in Winnipeg. So that in the final analysis, it is still going to be your caseworker or your intake workers in the various regional offices. They are going to have to cope with it. All I can say is lots of luck. I think you're going to have a headache; I think you're going to have a heavy administration on this.

Insofar as the suggestion that you're only looking after those who need it, I said it during the Budget Debates, I won't repeat at any length, but my own opinion is this, when you start targeting and saying, These are the wretched poor and they should be given charity; these are not the wretched poor, these are the affluent ones and they don't need it, I suggest to you that you're making distinctions in our

society. You're institutionalizing poverty, which in the long run is not healthy for our society.

MR. MINAKER: Mr. Chairman, I maybe didn't explain fully what my definition of centralized meant, that centralized meant dealing with one individual at, if you want to call it at one wicket, whether it be in our regional offices or whether it be in the Winnipeg offices. But that would be the approach and probably the major files in the information would be centralized, I would think, at some point so that we could co-ordinate where all the money is going and to who. With regard to the — I won't use the honourable member's words the wretched poor or whatever he used — primarily when we say that we're targeting to those in need, we also are targeting to retain certain things, like the program which is not on my estimate so I shouldn't mention it, but with the property tax credit that's now available and the school tax assistance to pensioners, we're trying to target and to maintain that home ownership principle. We're trying to assist the lower-income people with children to try and retain, say this home ownership principle, so that it's not just necessarily the need on income. Because on that CRISP Program, as we are aware, one can possibly earn 9,500 if they have four children and still qualify for the full amount. So that we're sort of aiming at those in need, the young, low-income families with the idea in mind that they can maybe retain an ownership of a home or work towards that end. So that it's not just based on the poor as such; that in my opinion has been targeted at certain areas and hopefully covering those areas where people in need have missed out possibly with the shotgun approach that was taken earlier. I mean that debate, I think we went through with . . .

MR. CHAIRMAN: (1)—pass — the Honourable Member for Transcona.

MR. PARASIUKE: Could the Minister indicate whether there is a full-time permanent director for this whole division, Social Security Services?

MR. MINAKER: Mr. Chairman, at the present time there is an acting director.

MR. PARASIUKE: How long has there been an acting director?

MR. MINAKER: I think it was a month or so prior to my taking over as the Minister, I believe. Mr. Chairman, my understanding is the director was Gary Harvey up to I believe it was the end of September. So I guess it was two weeks prior to myself taking over.

MR. PARASIUKE: That's the point, Mr. Chairperson. I think that if you look now at day care services, you will find that there is an acting person in that capacity working part-time. If you look through the entire departmental estimates for this department, you will find that there are an incredible number of acting directors and acting staff, which to me is just incredibly bad management on the part of the department, and I think it's probably because the Minister is a bit afraid to take action. There's no

reason why this position shouldn't have been bulletined by now; there's no reason why it shouldn't have been filled. We've had that in other instances when we looked at rehabilitative services as well and I think this is another indication of the confusion that exists within the department with respect to management. I don't know why these decisions aren't being taken.

I think it's important, we have a situation now where the Minister has gotten up and has tried to explain to us to a degree what might in fact be happening with respect to the changes that were brought about by the budget, but he's not sure. The point is, I don't think his staff and the senior staff of the department have been that heavily involved in the development of the programs. The programs have been developed by the Department of Finance officials and now it's the department that is going to have to try and implement some of those proposals that are being put forward by the Department of Finance officials. I can't, for the life of me, get an explanation and understand, first understand and then get an explanation from the Minister, how money for noon and after four programs — and we've already passed that item — and money for day care can conceivably come under the heading of tax credit reform under the supplementary estimates put forward by the Minister of Finance.

They are direct programming funds that should be earmarked and if we ask the Minister even right now, how much will go into noon and after four, he won't be able to tell us. How much will go into day care, he won't be able to tell us, and that's the problem. When people have, you know, the government's put out ads in the paper, we as MLAs get calls from people saying, What about the family day care, what about day care, because a lot of people have been waiting for day care. You call up the departmental officials and they don't know a darn thing about this program. They don't know anything; they can't give any indication. They just say, well, wait till September. That's the only thing they can tell us and it indicates that this department wasn't involved in developing the proposals put forward in the budget and it shows that now they've been given some money and somehow they're going to have to try and implement a program which will be a phantom program. Part of it goes back to the fact that I don't think they've had some of these people put in, in a full-time capacity, to possibly work with Department of Finance officials so that they knew what they were doing. Because if you go out right now, if the Minister went out and phoned up any of the regional day care centre officials, and asked them about day care, and asked them what this program means and asked them whether in fact there will be X more spaces in this particular area or not, he couldn't get an answer. He can't even get an answer whether the emphasis will be on family or on institutional day care or what, and noon and after four, he couldn't get anything at all.

I think it's high time that the Minister started — maybe he could tell us, how many acting capacities of a senior management level exist in the department? How long have they been there on an acting basis? Every time we ask, we find that this is an acting capacity, that's an acting capacity. When we looked to the Department of Health, we had one

person from the Brandon Mental Health Centre acting in Portage for the School for Petardates, even though they were the ones who removed Dr. Lowther from the position of being head of the Portage School. —(Interjection)— That goes there, too, we've got a Deputy Minister in an acting capacity in the other department now. —(Interjection)— Well, I don't hold you responsible for that. I guess I have to hold the Premier responsible for that action, which is just a ludicrous situation. And then I think it shows the lack of communication taking place between this department, the Department of Health and the Department of Finance.

It seems strange that you will have announced programs in general terms, they have been wrongly categorized, these tax credit programs, because they surely can't be part of a tax credit program. We now have the Minister saying that we are going to have a one-stop approach for these programs, so I assume that day care is part of that one-stop approach program. I can't understand that because day care, as far as I can tell, relates to all people. All people have access to day care. There are some people who receive a subsidy for day care, but all people supposedly have access to day care. There just aren't enough spaces. So we have another element of confusion into how this program will be administered, thrown out by the Minister. He's saying, well, this isn't a sort of a poor people's program, it's something different. And yet, the Department of Finance seems to be categorizing this all in tax credit reform and I'm wondering if the Minister can give us an explanation as to why is it that now, some three weeks after the budget, we can't get a decent explanation from him as to why noon and after four or day care would be seen as part of any type of tax credit reform. They have nothing whatsoever to do with tax credit reform. They are provisions of programs.

I mean, how do you go to a person and tell them that as part of the government's tax credit reform program, we may have a noon hour program at schools. Are people then going to be deducted on their — will they file income tax statements for noon and after four programs? Do they file income tax statements for day care programs? That seems to be what the Minister indicated to us last week when we first raised this issue. I didn't get a satisfactory explanation from him then and we haven't received one to date, and I'm wondering whether that's because the department has no idea at all about what these programs really will mean and that this is part of an approach by the Conservative Party to somehow, somehow change its image in the light of polls taken by their own people. It's been a last minute desperation attempt that really hasn't been planned and isn't organized, and at the present, really has no substantive content to it whatsoever. Because if it had any substantive content, why is it 5 million and not 3 million? If it is 5 million, the Minister then, at that stage, should be able to tell us how much goes into noon and after four, how much goes into day care? If you have done planning to set out a figure of 4.8 million or 5 million, surely you must know something about the content of the program, and yet we have nothing still, three weeks after the program. Perhaps the Minister can answer

that and indicate why we have so many acting positions within this department.

MR. MINAKER: Mr. Chairman, I think the Honourable Member for Transcona is going through a little bit of rhetoric there in certain areas when he tries to imply that we should have integral details of each program after we've announced a program some 13 days ago in our Budget Address. Mr. Chairman, I would suggest to the Honourable Member for Transcona he may not have been in the administration when the gentlemen opposite were the government, but they announced several programs before they had some of the final details worked out. I could name the Home Care Program or the Day Care Program where it took a while to get the final details of what he describes worked out.

Mr. Chairman, I think the fact that we just ended the Throne Speech Debate some what? — 48 hours ago was it or 72 hours ago? — that really I think the accusations the Honourable Member for Transcona is making are not valid. I can advise the honourable member that we had an awful lot of input into that White Paper with regard to the social needs, and our department worked with the financial department as well in developing that paper. The directorate, as I call them, worked on the overview and development of that White Paper with the Finance. I indicated earlier in the opening of the debate, back on my salary, that I indicated there were three acting positions. I believe there are two in this department, the Day Care and the Income Security. I would like to correct the honourable member's statement that the acting director of Day Care is working full-time on it, not half-time, looking after that program.

The only other thing I would like to advise is with regards to the way the money is included in the income transfer, that it is an income transfer Day Care or Noon and After School. It is a form of income transfer. There's no doubt about it. —(Interjection)— Sure, it's a form of income transfer. Those people who are out working and utilize the Day Care Program are benefiting by it, and it's a subsidy, so it is a form of income transfer. —(Interjection)— The thing is it's included in that program. It's just a generalization, that statement in the supplementary estimates, and the 4 million is included in that, with regards as I indicated earlier that those jobs will be bulletined.

MR. PARASIUK: I'm just astounded by the Minister's response. He's saying that if people take advantage of a noon-hour program or an after-four program that somehow they are part of some type of income transfer scheme of the government. If people take advantage of the University of Manitoba or University of Winnipeg, are they not part, if one uses the same logic of the Minister, of some type of income transfer scheme of the government of Manitoba? And if you apply that logic, then virtually every public program should be put under this whole category, the public school system — health, transportation, everything. There is a system of direct programming where you provide programs directly to people. That's what the government does, and it provides a whole range of services. That's part of direct government activity.

There is another activity where government takes money and transfers it in the form of income, cash payments, to individuals, and that is your income transfer system, and I don't know how we will say that the Noon-Hour Program, or the After-Four Program, somehow fits into that category. It doesn't at all, I want to make that point again. And the Day Care Program, if you provide a maintenance grant to a Day Care facility on a per child basis, is that an income transfer to an individual, or is that part of a direct program that's provided by the government of Manitoba? Are we saying that anyone who has children enrolled in any Day Care Program that is financed by the government, are they part of the social assistance program of the government of Manitoba? Because I don't think that's the way we want to categorize government programming. We want to say that any one who is going to medical school is part of the government's welfare for social assistance program. I don't think that's the way we categorize it, yet there are subsidies involved.

There is a difference between that and income grants first to bring people up to a certain level of income, and the Minister is completely wrong when he takes the position that he has. And we still have not been able to get even any indication from the Minister as to how much money of the 4 million increase will go into the Noon and After-Four Program and how much will go into Day Care. We should be able to get some indication of that. We should be able to get — and I'm leaving this.

I'm just going to raise some of these questions as notice because we're under the general category. We should be able to get some indication, I hope, when we get to the specific item of Day Care; whether this means that there are going to be maintenance grants paid out to institutions; whether there will be increases in the maintenance grants; whether that means that we will have 3 or 500 new places for Day Care; and whether this is part of a yearly expansion because Day Care is a very popular program, and we aren't getting any indication of that at all. We just can't say we're going to give it some more money, but we don't know whether it's going to mean that there won't be any more places. Because a lot of Day Care facilities are saying that they desperately need an increase in the maintenance grant. Otherwise, what's going to happen, and the Minister's regulations and the program that he announced only recently with respect to Day Care, which I assume was part of their systematic planning process, indicated that they could allow Day Care facilities to increase the per diem charge, and that this would hold true for subsidized children as well as non-subsidized children. So although they were increasing the subsidy, there was a danger that there could be tremendous forced increases on per diem charges on children attending Day Care facilities, and we don't have any indication of that.

I don't want to get into the specifics of it now. I just want to indicate to the Minister that I'm hoping that between now and when we get into Day Care, which could be 20 minutes from now or this evening at the latest, that he would have something more specific. He should realize that if you make these types of announcements, that there will be tremendous interests and concern on the part of people who want this type of program to get

specifics on it, and we just can't say, well, we announced it and we'll know about it in two or three months. These people have to make plans right now. If there are no Day Care places available in their areas, and some of these people are seeking work, do they say, well, I'll take a job. I'll say I'll start in September and I hope the government program is in place. Surely we should get some indication, because right now in regions there are waiting lists for Day Care spots. The Minister surely should know that, and should be in a position to say, okay, we're going to try and increase the spots by 10 percent in every region, or every region where there is a waiting list we're going to try and increase the number of places by 10 or 15 percent. Surely, that wouldn't be unreasonable, and I'm hoping the Minister will be able to answer some of those questions when we get to Day Care.

MR. CHAIRMAN: (1)—pass — the Honourable Minister.

MR. MINAKER: Mr. Chairman, just to clarify to the Honourable Member for Transcona with regard to the income transfer that I made that statement, I would like to point out to the honourable member that we do not run day care centres. They're run by a non-profit operation, a group, but we subsidize parents under the Canada Assistance Plan as well and they cost-share it, so that is an income transfer, in my opinion, that where we subsidize parents in that manner — and we're not talking about the maintenance grant, we're talking about the fact that we subsidize parents and the Canada Assistance Plan comes through on it, in actual fact, the same way as we subsidize the cost of health services to welfare recipients. It's the same basic program.

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

MR. SAUL CHERNIACK: We're dealing with Administration, and I want to reflect on the fact that the Minister has indicated, and I'm glad he has, that he played an important role in the preparation of the White Paper which was given to us with the Budget. In this particular regard, and I read from the Budget Speech on page 3631 of Hansard, where he talked about the inclusion of all forms of support regardless of source in the assessment of applicants' resources and needs, specifically, Property Tax Credits, Cost of Living Tax Credits, SAFER payments, Family Allowances, federal Child Tax Credits and other forms of assistance will be included in the calculation of the resources available to the individual.

And then he said, But, Mr. Speaker, social allowance rates will be increased at the same time to ensure that the current levels of support paid to Manitobans in receipt of social allowances will be maintained. Is the Minister undertaking, as did the Finance Minister, that there will not be a reduction in support levels paid to people now in receipt of social allowances, but there is just a calculation being made in order to have the government form a better idea of what it is that people are in receipt of — and I'm looking at the White Paper which deals with taking all these into account — will the Minister undertake, as I believe did the Minister of Finance,

that there will be no reduction in the benefits being payable to people presently on social allowances?

MR. MINAKER: Yes, Mr. Chairman, I think I explained that. Unfortunately the honourable member wasn't here earlier, but I did try to explain that to the honourable members opposite that we would do that.

MR. CHERNIACK: Mr. Chairman, I appreciate the repetition then of the Minister and I apologize for not having been here earlier. Mr. Chairman, do I understand further — and this I was told by the Member for Seven Oaks — that there is an indication of a possibility of the inclusion of new people into the allowance field because of the fact that their incomes may be so low that they will qualify under the increased social allowance calculations, as indicated by the Minister of Finance. So on the assumption that there will be no reductions in social allowances, will the Minister inform us what he contemplates as being the additional staff he will require and the cost to the taxpayer of doing this bookkeeping or accountability that is indicated in the White Paper?

MR. MINAKER: Mr. Chairman, with regard to the cost of the staff required, etc., for bookkeeping and increased work, I cannot give the exact detailed figures that the honourable member wants at this point in time. I indicated earlier in the debate that it might be and obviously will need additional staff to administrate these programs that have been instituted with the tax reform paper, that some of them might be seconded to my department, and again it has not been decided which department will operate and maintain this particular administration of all of the co-ordination of these programs. That is still to be decided upon in the immediate future. I indicated to the honourable members opposite that administration staff of several departments, as well as the Ministers, will be meeting within the next week on this subject matter and the decision will be made to Cabinet with regard to which department will administrate the program. I'm just trying to think if there was one other question the honourable member . . .

MR. CHERNIACK: I must tell the Minister that the Member for Seven Oaks already told me about this, and I really am just confirming it. I do understand that you give any exact number of staff man years that will have to be added but, Mr. Chairman, I can't conceive that an administration which is proud of how carefully it budgets, should not have a ballpark figure of the extra cost of doing this kind of administrative work, which is being done for information only, as I am told, and will not affect the output or the cost of the program insofar as allowances are concerned. Surely there must be a ball-park figure, surely there is a difference between three additional staff person years or 15 additional staff person years, there would be a difference between 25,000 of extra administrative cost, or 250,000 in administrative costs, surely this government does not just throw thrown out a budget figure in which there are no increases in grants or allowances to anyone, but additional costs without

having some idea, and I'm looking for that information?

MR. MINAKER: Mr. Chairman, as the honourable member knows, the Finance Department spearheaded the White Paper and coordinated it and established it and the Minister of Finance presented it. Our department worked in conjunction with them where it related to the social programs. The Honourable Minister of Finance, his department I'm sure has some estimated cost-figure for what the honourable member is describing, but unfortunately at the present time I am not that familiar with that figure.

MR. CHERNIACK: Mr. Chairman, I understand what the Minister is saying. Of course it was spearheaded by the Department of Finance, but when it comes to the administrative costs of administering a program, which is that that comes under this section of the budget, surely the Minister should have been involved. If, however, we are now told that the Finance Department is looking after the calculation of cost of additional staff people to manage this program, then I'm wondering whether they're not just taking away from this Minister the responsibility of running the Social Allowance Program and turning it over to Finance. You note, Mr. Chairman, that I haven't heard that Treasury Board had anything to do with this calculation and I would have thought that since the Treasury Board reports through a different Minister, there would have been one or the other involvement. So, Mr. Chairman, I'm just left with the feeling that the government thought, well, let's shove this in.

Now you'll notice, Mr. Chairman, the program doesn't come in until January 1st so they have lots of time to plan it and it's a poor example to say that, well, in day care the previous government took time to set up the system. The fact is that in day care now the increases in allowances under day care are superimposed on an existing program, so it's not the same thing as a new program. But here we're talking straight administration and we know from looking at Supplementary Supply — at least I say we know — I think that in Supplementary Supply there is no additional cost attributed to this program for administration. Is that right? —(Interjection)— Well then, Mr. Chairman, where is the Minister going to get the money to run this item — and I'm speaking specifically, Mr. Chairman, just to be clear on the administration item that we're now dealing with — where is the additional money going to come for the additional costs?

Now the only item I see under Community Services in the Supplementary Supply, is 225,000 for Rehabilitation Services to the Disabled. Does that then mean, Mr. Chairman, that before the program was announced, that the budget that we're now dealing with was prepared, printed, presented to us based on a certain need by this government and this department for running this program, now we know there are additional costs going to be involved in the administration of this particular program, no money is being asked for that, which implies that either they asked for too much before the budget was announced, or they're going to cut back on the administration in some other item in order to enable

this to be done, and that's the question that I'm aiming at, Mr. Chairman.

MR. MINAKER: Mr. Chairman, as I indicated earlier in the debate that there are no moneys in my estimates for additional administration for these new programs if, in fact, my department takes on the responsibility of the administration of these new programs. I indicated earlier to the honourable members that that decision is still to be made within the next few weeks and which department will, in fact, administrate the various programs and how many of the programs. I did indicate earlier that there's a general belief and understanding that these programs will be centralized so that they will operate to the best efficiency that can be had and also that we make maximum use of any federal cost-sharing in any of the programs.

MR. CHAIRMAN: (1)—pass — the Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, now to recap. The Minister has no idea what it's going to cost to do this additional accounting program. There's no gain to government or to the taxpayer in the rearrangement of the program because, although all these moneys will be shown as income, there will be compensating increases. There will be no benefit to the taxpayer that way. There'll be no cost to the taxpayer other than that which apparently the Minister had not foreseen, where new people may become eligible. Will the Minister please explain why this is being done at additional cost to the taxpayer for administration?

MR. DOWNEY: I think we indicated that during the whole Budget Debate, Mr. Chairman, that the reason the government is doing it, we felt that there was money being given out in a shotgun approach to those people who we felt did not necessarily need it in the same terms of need as the lower income and the senior citizen people; and we felt that this approach of trying to target in on those people with need was necessary and we're prepared to accept the fact that it will cost us something for administration. I suggest that the honourable member would question the Minister of Finance with regard to that supplementary estimates that he brought in with regard to if, in fact, there is inclusion of administration costs. As I indicated earlier, the decision has not been made with regard to which department will administrate it at this point in time, so that I cannot answer his question on how many dollars would be in my department because it, basically, is hypothetical at this point in time that I, in fact, will be the administrator of these programs.

MR. CHERNIACK: Mr. Chairman, I appreciate the Minister's answers and I'm in quite a bit of sympathy with him in this regard because he obviously was not involved in that. I have to say that the reason I started this discussion with the question of a guarantee that there will be no reduction in payments to people in receipt of social allowances, was because I feared very much, Mr. Chairman, that the reason all this is being brought in is in order to cut back on people; in order to say to certain people,

you may have been eligible up to now but now that we've revised the system, we are now going to cut back on you, but he's given a guarantee that that won't happen and so has his Minister of Finance and that's the reason I started with that question because I expect him to stand by it. I expect this Minister to stand by it and if all he wants is additional information, as it may affect future programs, I might understand that. But I still question why announce it in the budget at all?. It's not a budgetary item at all except for the additional costs of administration, which are not provided for anywhere in Supplementary Supply. So it looks to me, Mr. Chairman, like a kind of a sloppy job in any event.

I want to move, Mr. Chairman, to the concluding part of the White Paper in which this Minister played a role. On the last portion of it, Part IV, which appears at page 3700, it says and I quote: The reforms set out in this White Paper represent a fundamental improvement in the efforts of the government to provide adequate shelter and income assistance to those Manitobans who need it most. I must tell you, Mr. Chairman, I am shocked by the language that was used in this White Paper, to make it appear as if there are additional contributions, the additional assistance being given to large numbers of people whereas I believe what is being done is generally a cutback in services to people on these programs. But in any event they used the positive way and they called it reforms and I suppose it depends what side you look at. If a reform is to reduce costs then I think that's what is being aimed at by that government at the expense of the people involved; because we are talking about Shelter and Income Assistance and the catch phrase is and I quote: To those Manitobans who need it most. You see, those who need it but not most are the ones who will not get it, but those who need it most will get something.

What I want to ask the Minister specifically is to explain the next paragraph which reads: Further improvements or reforms may be suggested during public discussion of this White Paper and the government is open to constructive suggestions. Would the Minister indicate what role he is going to play in discussing these improvements or reforms with the public, in order to show the openness of his government to constructive suggestions? Would he please indicate how he intends, as far as his department is concerned, to carry out what I think is an undertaking in the White Paper, saying that further improvements or reforms may be suggested during public discussion. Is he going to sponsor public discussion? Is he going to participate in public discussion? Is there going to be public discussion of this White Paper organized by the government, or is it going to be a matter for an election campaign?

MR. DOWNEY: Mr. Chairman, it is not my intention as Minister of this department to have public forums or discussions on the paper as such, that the honourable member is describing. I will obviously be meeting with people and I know that there's the coalition of day care people that want to meet with me in the near future to discuss different inputs so that there will be inputs coming from the public, like there always is, and that is why at this point in time, not necessarily why or is reason that I might not be

able to advise certain details with regard to the Day Care Program or the Noon and After School Program.

We are still, to some degree, listening to the individuals who are presently involved in the Noon and After School Program and are receiving inputs from them with regard to what they feel are good points and bad points, etc., so that this is part of the development of that program in terms of our input into Noon and After School Programs. But it is not the intention of our department to hold public forums. I would suggest that the honourable member maybe raise that question with the Minister of Finance, who presented the White Paper, and get the answer from him.

The one indication that I wanted to advise the Honourable Member for St. Johns with regard to social allowance clients, that the total payments to social allowance clients will be the same, although they may come from various different sources of revenue. In some cases, it could be that with the CRISP Program, that the people might go off of welfare because their income with the CRISP Program could be higher than what they would qualify on social allowance, so they obviously would go off the Social Allowance Program, but with the CRISP and the SAFER Program along with their income they may be earning, they would be better off still. So there will not be a reduction in the social allowance payment to anybody that's on social allowance, they will still receive the same amount.

MR. CHERNIACK: Mr. Chairman, I have not familiarized myself adequately with these tables attached to the White Paper, to see whether there's an indication of people moving off welfare and onto the SAFER or CRISP program. If there are such, I would appreciate the Minister drawing it to my attention. It seems to me that Table VI shows the benefits but does not show the reductions. Therefore, I would assume that there will be reductions in social allowances for some people who benefit under Table VI. The Minister may not be able to answer that right away, although this is strictly a paper dealing with the low income and single-parent families, dealing with the CRISP and SAFER Programs. So I would invite him, in due course if he's not ready now, to respond with Table VI and indicate whether or not it is true that people on social allowances will have their allowances reduced to the extent that they will benefit from the CRISP or SAFER Program.

Mr. Chairman, the Minister says that he will be meeting with members of the public and suggested that the coalition will be meeting on day care. Does he propose that he will have these meetings in public so we can all listen to what is being said? He is shaking his head, Mr. Chairman. I want to point out, he's shaking his head in a way to indicate a negative response — let me spell that out more clearly — so that he is saying that he will not have an open meeting with them. I want to tell him that again and this is not his writing, I'm sure, this is the writing of some staff person in the Department of Finance, I assume. But it says, Reforms or improvements may be suggested during public discussion of this White Paper. The Minister has said, sure, he's going to be meeting with the coalition on day care, that is not a

public discussion, Mr. Chairman, that's a private discussion held with members of the public who have a specific interest — you could call it a vested interest and you could call it a lobby-group interest, both of which I use in positive terms as being justified and proper — but that indeed they will not be public discussions and he will not have the discussion in public and I'm wondering, why not? If he is discussing his program with people presumably knowledgeable about it, and if what the White Paper says is what is meant by the government, and the Minister can not shrug it off by saying, well, it is the Minister of Finance or the Department of Finance, this Minister is part of the program. It says public discussion, and what's the value of the Minister having private discussions which he could have had last month, two months ago, next month, three months ahead, without having it done in public so that the public is aware of the discussions, aware of the problems presented; the Minister has admitted that they have not clarified how they are going to deal with these programs, why not have them in public, Mr. Chairman? Why not, to the extent that this Minister is involved, have these discussions in such a way that the public is aware of it and maybe as a result he will get suggestions for improvements or reforms as requested in this White Paper, from the public indeed, from people unheard of until now, from people who will be stimulated to write or to come and speak to the Minister, in public? And that's what I call public discussion.

Otherwise, Mr. Chairman, it is really a farce to present a White Paper, the White Paper indicates specific programs — I'm talking now in general about the White Paper — and it concludes, in Part IV, which is called 'Conclusions' that there will be further improvements or reforms that may be suggested during public discussion. And here we have this Minister, responsible for some of these programs, who is not proposing to meet in public, and I would suggest to him that he can still change his mind and he could hold these discussions in public, rather than leave it to the press, the media gathering outside his office, as the Coalition or other groups, leave his office, make their statements, express their satisfaction, to some extent express their disappointment to others, and then have the Minister come out and either comment or not comment. I challenge him, why not carry out the words, and I assume the intent of the White Paper, and indeed have his discussions in public so that we are all knowledgeable to the extent that he will be as to what are the shortcomings of the program and what is being suggested for others.

Let us invite this Minister, who is one of the newer Ministers, to have some open government, in the light of what they said they wanted to do in the White Paper — that's what a White Paper is supposed to be about — a start, an announcement of what is being planned and then discussion would follow. It's not the Budget Speech I'm talking about, it's the White Paper, and I invite the Minister, I challenge the Minister, I don't beseech any Minister, but I suggest to the Minister, that in all fairness, and the way he should deal with the public, that his meetings of this nature should be in the open, in the public, so that the intent of the message we get in the White Paper is fulfilled.

MR. MINAKER: Mr. Chairman, I would just advise the Honourable Member for St. Johns, if he reads the front page, it says White Paper on Tax Credit Reform, the Honourable Donald W. Craik, Minister of Finance, May 1980. It is the Honourable Minister of Finance's White Paper. I would suggest that the Honourable Member for St. Johns can discuss the question of — and I read it: public discussions of this White Paper, I would say to the Honourable Member for St. Johns, he raised the question with the Honourable Minister of Finance. I have indicated to the Honourable Member for St. Johns what I felt, the input that I would have into discussions on certain items in the White Paper. My definition of a public discussion obviously does not agree with the Honourable Member for St. Johns, so in his interpretation I guess I will not be getting any public input into the Day Care Programs or the Noon and After School Programs, but at this time, this is my intention of dealing with those specific subjects and to have meetings with the public in the office. I have requested the Day Care Coalition Group, and obviously the Honourable Member for St. Johns does not believe that's public discussion. That's his definition.

MR. CHAIRMAN: 1—pass; 2—pass; (a)—pass; (b)(1) Social Allowances—pass; (2) — the Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, I could advise the Minister that I'm going to ask him, so that he can get ready or give it to us earlier, I'd like to have a breakdown of caseload under all these programs for the last, let's say 1977, 1978, 1979 — for the last three or four years. Also I would like him to let us know if all the money that was voted on last year in the estimates has been spent for all the programs; if there are any programs underspent we'd like to know which ones, and to what amount.

MR. CHAIRMAN: The Honourable Member for Fort Rouge. The Honourable Minister.

MR. MINAKER: Mr. Chairman, I have the average monthly caseload for 1979, is that —(Interjection)— oh, the total. No I think you asked for the breakdown. On mother's allowance there's approximately 6,500, which represents 33.3 percent. —(Interjection)— This is for 1979. I'll have to get the information on the other years for the honourable member. The aged is 2,500, representing 12.8 percent; the disabled is 9,000, 46.2 percent; general assistance in areas where there is no municipalities, like in LGDs etc., there is 1,000 caseload for 5.1 percent, and the student social allowances is approximately 500 for 2.6 percent, for a total of 19,500.

Now I think in regard to the 1979-80 program, the social allowances has been underspent by approximately 2 million, social allowance for health services is underspent by approximately 700,000, and the municipal assistance is underspent by approximately 1 million; and the MSE has been spent, it's basically that amount, the prime reason being is that we've had a declining caseload for, I guess it peaked, if I remember in 1971 and it's been going steadily downhill and it's difficult to predict

what the caseload might be, so that's the reason for reduction.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MRS. WESTBURY: Mr. Chairperson, I wonder if the Minister would advise me, because this is something I haven't kept right on top of, how much recipients are now allowed to earn before the earnings are deducted from their allowances?

MR. MINAKER: The staff will get that information, because there's no set amount really — they'll get further details. If you want to raise other questions at the present time ...

MRS. WESTBURY: Mr. Chairman, I'm talking about welfare recipients, and my understanding was that there is a set amount —(Interjection)— am I in the wrong place? Good. —(Interjection)— Every time I speak, someone tells me I'm in the wrong place.

MR. CHAIRMAN: Does the Honourable Member for Fort Rouge have any other questions. The Honourable Minister.

MR. MINAKER: Mr. Chairman, there's three options on the work incentive program; it's the greater of 50 a month, 30 percent of earned income, or 70 cents per hour.

MRS. WESTBURY: Well, I wonder if the Minister is considering increasing the monthly amount. You know there is, the word incentive was used here, and there is an incentive. Sometimes people who don't have very much confidence in their own ability to become independent, find that by going out and earning a little bit, in a part-time or temporary job, they can develop skills that are marketable and after a while they develop enough confidence in themselves so that they can take a job and become truly independent, and I do think that an increase in the amount would be desirable, with this in mind. 50 a month was the first figure I heard, and I do feel that it's time that amount was increased.

Mr. Chairperson, I wonder if the Minister would tell us what assistance the department gives to women who are deserted or whose marriage has otherwise failed, who are left with children — I should not say women, I should say people, women or men who are desiring to work in order to support the family but can not get a place in a day care or other appropriate care for their children. Does the department go out of its way to find someone suitable to come to look after the children in the home, or do they go out of their way to provide day care for the children, including infants — it has not been so done in the past — if the department is making a determined attempt to help these people, and I do think it's chiefly women, who have put aside their employment and their opportunities for advancement in employment in order to stay home and raise a family and then the marriage breaks up and the woman has a need to return to work, or else the alternative is to go on welfare — what is done in a preventative way to help these people, Mr. Chairperson, please?

MR. MINAKER: Mr. Chairman, I would like to advise the Honourable Member for Fort Rouge that there is a meeting of the Deputy Ministers next week in Whitehorse and the subject that she raises with regard to the work incentive program will be discussed at that time, with the federal government. These were values that were negotiated with the federal government and are the maximum allowable ones in order that we share with the Canada Assistance Plan. They have set the ceiling, so that we are committed to these values if we want to qualify for 50 percent cost-sharing on any of the welfare that we provide to recipients.

I also indicate that we do have the day care incentive which is an incentive program for people, for women to get off the welfare roll and to go out to work, and I as Minister have the authority, if it's required, to ask the day care centres to provide a space over say another family; if we have a person who would be on welfare, but wants to go out to work, we have that authority at the present time, that they have to provide a space for that particular individual. We also have people that are on welfare and they want to go out to work; we do have and will pay towards a baby-sitter on the work incentive program as well, in the welfare area, and as well we have homecare program to provide to some of these people.

MRS. WESTBURY: I'd like to just give a couple of examples of instances that have come to my direct attention, Mr. Chairman. There was a woman who lived in Fort Rouge and she had been deserted. She had a child of six and a child of three, and she phoned me on a matter concerning the child of six. During the course of the conversation she was telling me how difficult she was finding things. She was employed in a hospital and she had a baby-sitter provided by the department for the three-year-old, however, the baby-sitter had given notice because the family was leaving town and she couldn't get another baby-sitter. She said, it looks as though I am going to have to give up my job and stay at home because I don't have a baby-sitter for the three-year-old, and I said, well don't do that until I have a chance to talk to some people. And I phoned a gentleman who was at that time, but is no longer, a senior employee of the department and suggested — I should have said that the woman had tried the local day care operations and was not able to find space for the three-year-old in the local day centres. This was a very few years ago. After I spoke to the senior person, told him that the social worker assigned to this family did not seem to feel that there was anything that could be done to look after this three-year-old and that the alternative was going to be that the woman would give up her job — she was not on welfare; she was employed. She wanted to remain employed and I suggested that providing some sort of care for the three-year-old for the next two or three years until the child could enter school would be a smaller price to pay than to possibly keep the woman on welfare for the rest of her life. As a result of my call, the child was placed in Mini School.

I had another instance where a woman again was deserted and was left with four children. She had been employed before her children were born as a registered nurse. She had not kept up her

registration. She tried to get work — it was in the days when work was a little harder to get — and could only find employment as an R.N. on the night shift, but she had no one to look after her children and couldn't get anyone to look after her children. It would have to be someone who would stay in overnight. So, as a result of that, the woman never returned to her profession of registered nurse and she has been for some years and will be for the rest of her life a welfare recipient. To me it seems it would have been socially more desirable, certainly from a health point of view, emotionally health point of view, of this wife, more desirable and more desirable to taxpayers to have spent the money to have allowed that woman to go back to work and found a babysitter who met with her approval to come in to stay with the family overnight.

So I hope that the Minister will take these examples with him and see what can be done in a matter of policy so that these social workers in the department can know that this is the policy and it doesn't take a phone call from a city councillor or some other person to whom the family has appealed for help as happened in my case. Mr. Chairperson, I wonder also if there has been any increase to recipients in rented utilities since last year?

MR. MINAKER: Mr. Chairman, I will take the honourable member's information as notice to some problems relating to her constituents. Primarily I would think needing in day care for the child which would probably fall under infant care and the residential day care program is one that's best equipped for the three-year-old and under, and we increased the spaces prior to the general announcement in the White Paper of the 4 million addition for day care and noon and after school program. I'm somewhat now confused why the honourable member voted against our budget when there was 4 million in there towards the very thing that she is discussing at the present time.

The question of night care is another matter and I know we have looked at that and there was somebody interested in providing that facility but it becomes a problem in the fact that there doesn't seem to be that great a demand for it, primarily because the individuals usually want the child in their own home if it's at night time, primarily. So that we haven't really gone into any great degree of consideration to providing a night care facility for children at this point in time.

With regard to the rates for increases for clothing, household board and room, the board and room situation was increased 6 percent in January, 1979, and 8 percent in January, 1980. The maximum allowance for food, clothing, personal and household needs for a single person was 118.50 per month in January, 1979, and it's now 128 per month. An adult with two dependent children, one between the ages of 1 and 11 years, and one between the ages of 12 and 17 years, was eligible for a maximum of 257.40 per month for these items in 1979 and now are eligible for a maximum of 278 per month. It's indicated in the Budget Address that we are going to be looking at these rates on a regular basis and not necessarily just on a cross-the-board increase but possibly we may look at them in the way that the province of Ontario has, that we zero in on where

maybe the costs have increased considerably and raise those particular items, rather than maybe just across-the-board 8-percent increase. But, in general, our rates in most cases are higher than municipal rates, the city of Winnipeg rates, for most families.

MRS. WESTBURY: I wonder, Mr. Chairperson, how the government would have reacted if I'd asked for the budget to be voted on paragraph by paragraph, because that's what I would have liked to do. I would never have voted against the 4 million for day care, but I still don't believe that they can spend 4 million after September the 1st. It's not there, no, and it won't be there, I'm afraid.

In the case of the woman whose welfare payment was cut because there were trust funds set up for the sons, this is obviously absurd, and I understand this was remedied. But how can it happen and could it happen again? Was it only remedied because she had access to the media and there was a great deal of publicity and a lot of influential people spoke on her behalf, or do they in fact try to be realistic in a case like this? The money couldn't be touched, she couldn't use it to buy clothes and necessities for the three sons, and I just wonder if the Minister could tell us how this could happen and what has been done to ensure that it does not happen again?

MR. MINAKER: Mr. Chairman, we're talking in the case of where the trust funds were set up for the maintenance of the children and it's pretty difficult to decide whether, if there's a child who has 100,000 trust fund for maintenance versus, say, 1,000 one, where does one draw the line? We have to look at all sources of moneys that are presently available to the individuals who are seeking social assistance and generally the regulation that has been set up is that if an individual has, in their bank or in trust funds, more than 400 per person that are in the family that would be requesting the social assistance. Giving an example, if, say there were four children and one mother, if they had in excess of 2,000 in a bank account, then we would request that they use up the money in excess of that. That is basically the approach that is taken.

We do not consider the home, the residential home, or we don't consider the furniture in the home as an asset. If they have an additional piece of property besides their home then, obviously we would lien that property. We would lien the residential home if they had a capital, say, repair to the house in excess of 500 and we would lien the facility for that amount, the belief being that welfare is the last program of resort and all money should be basically expended or properties that they have in the fact that they are asking our taxpayers who maybe earn 8,500 a year or 10,000 a year with their families to pay towards this in their taxes. They pay the provincial government. So that this is basically the general idea with regard to this program, but also in cases of individual hardship, we always look at each with discretion, each individually, and try and take circumstances into account when we're dealing with this. But the general guideline for the staff in the field is 400 per individual in the family. Anything in excess of that, we look at it as revenue or income that should be utilized prior to going on the welfare role.

MRS. WESTBURY: I understand absolutely and I totally agree with that as the policy. However, the 1,000 trust funds that were set up for these three children . . .

MR. CHAIRMAN: Order please. The hour is now 4:30, I'm interrupting the proceedings for Private Members' Hour. This committee will resume at 8 o'clock at this evening.

IN SESSION

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. We're now under Private Members' Hour. Has the other committee risen yet? The first item of business on Mondays is Private Members' Resolutions. The first Resolution on the Order Paper for today is Resolution No. 28.

RESOLUTION NO. 28 — AIRCRAFT INDUSTRY IN MANITOBA

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. WARREN STEEN: Thank you, Mr. Speaker. I move, seconded by the Member for River Heights, Resolution No. 28:

WHEREAS the Government of Manitoba, in co-operation with the aircraft industry in Manitoba has expended considerable time and effort in setting forth the qualifications and arguments for Manitoba receiving its fair share of assembly work, life cycle support, and continuing offset commitments resulting from the proposed federal government's purchase of a new fighter aircraft and,

WHEREAS the life cycle support work on the Canadian Armed Forces, C-101, aircraft will be concluded in the mid-1982 with a significant job loss in the province of Manitoba and,

WHEREAS the Manitoba air industry is third in size in Canada, only to the aircraft industries in Ontario and Quebec and,

WHEREAS balanced regional development is in the interests of all provinces and the country as a whole and,

WHEREAS the federal government has expressed a direct interest in the industrial development of western Canada and has singled out Manitoba as an area for immediate attention and,

WHEREAS the federal government is now in the final stages of making a decision on the purchase of a new fighter aircraft for Canada's Armed Forces,

THEREFORE BE IT RESOLVED that this House support the efforts of the Government of Manitoba and the aircraft industry in Manitoba to obtain contracts for the Manitoba air industry for the assembly and the continuing maintenance of those aircraft, at least commensurate with the province's share of the Canadian aircraft industry.

MOTION presented.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Speaker, in speaking to this resolution, the federal government, in announcing the selection of the McDonnell Douglas CF-18 Hornet, the Honourable Ministers, three of them from the federal government, Gilles Lamontagne, Jean-Jacques Blais, and Herb Gray, all emphasized time and time again that they have negotiated a great industrial benefits' package for all of Canada. And I repeat, when they said all of Canada, they said that the industrial benefits will be spread across the whole of the country and will bring about the realization of industrial development opportunities in all parts of our country, that this will ensure equitable distribution of industrial and economic activity across all regions and will generate industrial offsets and high technology sub-contract work in slow-growth regions of our country.

Yet in the document issued by the federal government entitled New Fighter Aircraft Industrial Benefits, analysis and evaluation entitled The Best Guess estimates using the sales purchase value basis, giving a regional breakdown of industrial benefits, they cited that the industrial benefits, Mr. Speaker, would be that the province of Quebec would get 48 percent of the work and that this would result in 1.573 billion worth of work for the province of Quebec; and in the province of Ontario, that they would receive 40 percent of the work and that this would result in 1.296 billion, almost 1.3 billion worth of work for the province of Ontario; and that the rest of Canada would receive the remaining 12 percent of the workload, which has a dollar value of 394 million. This means, Mr. Speaker, that Manitoba, with a successful and capable aerospace industry that is the third largest in Canada, with federal-provincial agreements, that a concentrated effort should be made to develop the aerospace and electronic sectors here in the province of Manitoba, and with indisputable agreement that Manitoba needs economic stimulus from the federal programs.

In spite of all these facts, Mr. Speaker, the regional distribution of the industrial benefits from the CF-18 program will put Manitoba scrambling, along with eight other provinces, for what is believed to be only 12 percent of the workload. As I said earlier, that the provinces of Quebec have 48 percent of the work and the province of Ontario and its aerospace industry has 40 percent, and that 12 percent shall be shared with the other eight provinces. Eighteen months ago, Mr. Speaker, the government of Canada — and it was a Liberal government at that time — represented by the Department of Regional and Economic Expansion and the Department of Industry, Trade and Commerce, agreed with the government of the province of Manitoba, that to undertake an extensive program with a budget of 44 million allocated by the governments of Canada and Manitoba, was to encourage industrial activity here in the province of Manitoba, to develop industries in which Manitoba has a comparative advantage and will provide stable long-term employment.

A federal-provincial program to foster, encourage and stimulate industrial growth here in the province of Manitoba is concentrated in six industrial sectors and these are listed as Industrial Sector Development from Enterprise, Manitoba, and the six of them are in the aerospace, the electronics field, food and beverage field, health care products, light

machinery, transportation and equipment, are the six areas that are being discussed and promoted by the two levels of government, Mr. Speaker.

Here in the province of Manitoba in the aerospace industry we employ some 3,000 persons in the Greater Winnipeg area in the employment of four different companies and these companies are the Bristol Aerospace people, the Boeing of Canada, Standard Aero Limited, and the fourth one is the CAE Aircraft. As I mentioned just a moment ago, Mr. Speaker, these four companies do employ some 3,000 people in the Winnipeg area. There's an important factor, both employmentwise and they are also very highly technical people and therefore, reasonably high earners. So nothing could have contributed more effectively to the development of the aerospace and electronic sectors in Manitoba than a fair share of the industrial benefits from the New Fighter Aircraft Program.

To concentrate 88 percent of the industrial benefits into the aerospace and electronic industries into the provinces of Quebec and Ontario, with no evidence of any direct investment in new manufacturing facilities elsewhere in Canada, is a real setback to the objectives that have been mutually agreed upon by the two levels of government in support of growth in industries here in the province of Manitoba, Mr. Speaker. A fair share of the offset program from the McDonnell Douglas and its sub-contractors commensurate with the province's share of the Canadian Aircraft Industry should include four factors, Mr. Speaker.

The first factor, Sir, is the contract for life cycle support of the CF-18 aircraft, to replace the work that will be lost here in the province of Manitoba with the phasing out of the old CF-101 Voodoo. Manitoba needs to be assured immediately that it will receive the contract for life cycle support of the CF-18 in order to bridge the gap, keep the people on staff at the four companies that I made reference to earlier, and to gear up and to take advantage of the new maintenance contracts of the CF-18.

The second factor, Mr. Speaker, is that sufficient contracts for work on the General Electric F-404 Turbo Fan Engine should be placed to fully utilize Manitoba's established capacity to make parts and components, to carry out assembly and repair and overhaul of the aircraft engines. Of the four firms I made reference to earlier, Mr. Speaker, all four of them are very capable persons and have a proven track record that they can work on the engine aspects of the aircraft industry.

The third area or factor, Mr. Speaker, is that the direct investment in the high technical metal working plants, the electronics industry and other manufacturing facilities, similar to those that have been allocated to Quebec and suggested for Ontario, that we feel here in the province of Manitoba that we should get our share of the metal fabrication.

The fourth area is for a fair share of the tourist promotion and export assistance programs which the McDonnell Douglas people will carry on as they manufacture these aircrafts. As well as the general purchase of goods and services by both McDonnell Douglas and General Electric, not only are we talking about the 3,000 persons that are employed here in the province of Manitoba in the aerospace industry, but we're talking about their take-home pay and the

many sub-factors that those dollars go in purchasing power here in the Manitoba and particularly in the Winnipeg community.

So, Mr. Speaker, in concluding, I would urge all members of the House, from both sides, that we encourage the province of Manitoba, along with the people in the aerospace industry here in Manitoba, to try and get at least our share of that 12 percent of the workload that is supposedly being made available by the federal government. We in the province of Manitoba in the past have usually had 10 percent of the aerospace industry work in years gone by, so if there's only 12 percent, Sir, that is available to eight provinces and yet we have usually had 10 in the past, we're going to have to really hustle in order to keep the other seven provinces from wanting a greater share than the 2 percent that they've been used to getting in the past. We have 3,000 jobs here in the Winnipeg area that the government of Manitoba and the industry has an obligation to, 3,000 families that are drawing earnings from those particular four companies. So I would, in concluding, Mr. Speaker, encourage members of both sides of the House to adopt this resolution and to encourage the provincial government to get its share of work from the federal government as has been indicated in the past, that they are encouraging Manitoba to get its regional share.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. We on this side have no difficulty in supporting the resolution of the honourable member who has just spoken with respect to the promotion and enhancement to the aerospace industry in Manitoba.

I agree with him that this is one industry that can and does provide high technology jobs for our people, therefore good paying jobs, and it's the kind of industry that we want more of in this province. Unfortunately, we have not had — and again I agree with the honourable member — we have not had our fair share. I don't know how you define it, but we have not had our fair share of aerospace jobs in this province, and I'm speaking historically.

I think the federal government has let down the people of Manitoba in this respect because this is one kind of industry, Mr. Speaker, that is not market-oriented. You can make a great case for a lot of industry to be located in central Canada because this is where the people are; this is where the bulk of the market is; and there is some argument for the location of a great deal of manufacturing in the centre of the country. But in this case, you're talking about an industry, if you like, that is foot-loose — that's a term that has cropped up over the years in location economics, a foot-loose industry as opposed to an industry that's either labour-oriented or market-oriented or resource-oriented. An aerospace industry is one that could be located almost — I say that with some hesitation — almost at any portion of the country where you have some development, any major city in this country could support some aerospace jobs in my view, because the product is sold essentially to the government or to companies that may be supported by government grants somehow.

I note in particular, Mr. Speaker, that the aerospace industry in Canada is very much like the aerospace industry in the United States, and that is, it is very closely tied to federal government policy. The aerospace industry in the United States, particularly the military aspect of it, is extremely dependent upon decisions made in Washington, extremely dependent upon the federal government decision-making that goes on in Washington. I think, of course, we see a parallel here, perhaps on a lesser scale, but we see a parallel in Canada where the major decisions that are made in the aerospace industry are made in Ottawa, whether it be military or commercial.

I can't help but note, Mr. Speaker, that the federal government has indeed nationalized a great deal of the aerospace industry in Canada, whether they like it or not. Whether we like it or not, the fact is that the DeHavilland Corporation in Toronto and Canadair, which is located in Montreal, both continue to be owned and operated by the Federal Government of Canada. So in effect, perhaps the government has a vested interest in these particular companies, I don't know. Nevertheless, I agree with the honourable member that we are not getting enough in this area, that 88 percent going to central Canada — I think that's the figure he used — 88 percent is just too much.

Here I would say, Mr. Speaker, the federal government has an opportunity to help the industrialization of the province of Manitoba. It has a wonderful opportunity, because we have had the experience, we have had the background, we have had the tradition of building aircraft and building aircraft components. We have had some ups and downs; we have had some rather sad instances of company failures. I'm not thinking of Saunders but I'm thinking of CAE because CAE, as members may recall, was supposed to take over the work from Air Canada on some overhauling of Air Canada fleet after Air Canada moved its major operations out of the city of Winnipeg to Montreal. Unfortunately, I guess CAE is now in litigation proceedings with the federal government over this particular matter as to whether or not it had been treated fairly by the federal government and by Air Canada.

I recall when I became Minister of Industry around the Christmas period of 1969 or early 1970, this was one of the major problems we had, what to do with CAE, whom we had thought was getting a fair shake, perhaps to take the place of Air Canada in various overhaul work. At any rate, that was not to be. The only comment I can make in that respect, Mr. Speaker, is that I am glad to see finally that Air Canada is making use of this big building it has over at the Winnipeg Airport, the large hangar that was put up there a year or so ago by the federal government, by the federal Crown air travel company, namely Air Canada, is now in the process of utilizing it by, as I understand it, doing some maintenance work of the 727s, the Boeing 727s, so we're getting a few jobs in that respect. But I say that here is an opportunity for the federal government to stimulate the economy of this province.

I would observe, Mr. Speaker, in passing, that over the years there is far, I believe, a disproportionate amount of DREE money, Department of Regional

Economic Expansion money, has gone into the Maritimes and into the province of Quebec. I'm not denying assistance to those areas of Canada, indeed they have low standards of living in those parts of the country and indeed they have high levels of unemployment and indeed they are slow-growth areas. But at the same time I think that here is another area of government spending in an area that is a natural for this province, while I said the industry is footloose and could almost be located anywhere. Nevertheless we have had the tradition and we have had the experience in building components and building various types of aircraft for many many decades. But here is an opportunity for Ottawa to stimulate our economy by putting more Aerospace jobs here through the various companies that the honourable member has mentioned, Standard Aero Engine, I think, and Bristol, to mention a couple of them.

It is an industry that is highly dependent upon government spending. It's not an industry that has to fight in the market place. It has to fight to get the attention of the bureaucrats and, I suppose, the appropriate Cabinet Ministers in Ottawa, but having persuaded them of whatever merits they have to persuade them thereof, I would suggest that it's not a competitive business. It's competitive within a very very limited sphere. It's competition, I suppose among companies, competition within government in a sense, so I say that we're not talking about an industry that doesn't have a natural reason for being in the province of Manitoba. I'm particularly prepared to support the resolution because of the problem which the member himself, the Member for Crescentwood, mentioned and that is the problem created by the phasing out of the CF-101 Voodoo. I believe the member said that a problem does arise when that is phased out. In other words, there are jobs that are going to be lost when that is phased out, so we think that not only should we have these additional jobs to replace those, not only should we have the work from the CF-18 or parts of the CF-18, but we should be conscious of the fact that we have to have this work to at least cover the phasing out of the CF-101.

Just in passing, Mr. Speaker, and I'm supporting the resolution and I'm making all these remarks, I hope in a positive way and in a supporting way. I couldn't help but note that maybe the honourable member noted for the last couple of weeks off and on there have been big ads in the newspapers. This is Tuesday, May 13th, Winnipeg Free Press, but they've been in the Brandon Sun, they've been in the Winnipeg Tribune, and they are pretty large ones and I would think they are very expensive. I suspect they're putting them in the papers right across the country. A good choice and a good deal for all Canadians and it refers to the CF-18, A good choice and a good deal for all of us in Manitoba and Canada and it goes on to suggest that it will help the Manitoba economy in choosing, and I'm just quoting a couple of sentences here, In choosing the CF-18, Canada has successfully negotiated an agreement that will bring great benefits to our businesses and industries. We are getting far more than 137 fighters. The binding agreement with McDonnell Douglas calls for new investments and purchases for manufacturers in many sectors, marketing assistance

for exporters and transfer of new technologies to Canada. It means growth in all over 3 billion in contract, that's billion, not millions, will be awarded to businesses across Canada in the next 15 years and that will create thousands of jobs. A large part of this business with benefit Manitoba, particularly its Aerospace and electronics industries. The CF-18 contract creates unusual and challenging business opportunities for Manitoba. A great number of Canadian businesses and industries, large or small, will participate in the wide range of projects generated by the McDonnell Douglas contract. Now it's up to you to meet the challenge. And they're talking to business suppliers, parts suppliers. Take full advantage of these opportunities. Canadians are depending on your initiative and dynamism. All of us in Manitoba can share in the rewards.

Now here in the last part that I want to concentrate on for a moment. If you want to know more about the opportunities that exist for your business, contact your government of Canada business information centre in Winnipeg, and then it gives the telephone numbers. What I'm wondering about, and maybe the Minister of Economic Development will talk on this, is where is that task force that the Minister said was at work? I'm just wondering to what extent there is duplication of overlapping here. What is the task force doing in trying to get more work for Manitoba business, for Manitoba industry? It seems to me that the government of Canada is carrying the ball here. At any rate, I think it's a bit of a waste of money but I think it's perhaps some propaganda by the federal government about this but nevertheless, because I don't think you have to put in huge ads in the paper to tell business to contact the government of Canada to obtain information. I suggest that there is rather a limited number of suppliers, a limited number of companies. The member mentioned four, he may add a few other electronic firms and so on and I would suggest the government could easily phone each one of them, or write to them individually, and certainly I am sure there will be a response by that segment of Manitoba industry. —(Interjection)— Well, maybe that will help, too.

I cannot say that, while there is unanimity in support of this effort by the government in Manitoba, I don't know how optimistic we can be or should be in getting a greater percentage of the market, if I can use that expression. I must say that over the many years, as Minister of Industry for nearly eight years, one area that we always had to be concerned with is the area of what federal government contracts were being put out in order to interest Manitoba business to the extent that we could interest them in bidding in on these contracts.

As a matter of fact, on one occasion we had a large conference here in co-operation with the federal Department of Supply and Services. We had the Minister come out and his staff and we had a large display of Manitoba manufactured goods and we tried to bring together the suppliers and would-be purchasers and we tried to make the Manitoba business community aware of the opportunities in supplying goods and services to Ottawa because the evidence at that time was that in other areas of federal government spending, Manitoba wasn't

getting its fair share apart from the Aerospace industry.

I just want to make that point, Mr. Speaker, because the point is that we have over the years attempted, the former government of which I was associated with did try very hard to get more federal government money spent in Manitoba. The Aerospace industry was the key part of it and as I said we had this big fight over CAE and taking delegations to Ottawa . . .

MR. SPEAKER: Order please. The honourable member has five minutes.

MR. EVANS: Thank you. Taking delegations to Ottawa and trying to persuade the federal Minister of Defence that he should look a little more kindly on what CAE was trying to do and so on. But I must say that my experience has been that as logical as our arguments may be, as hard as we may have tried, as prepared as we may have been with the staff preparing various documents to help us make persuasive arguments, the federal government at the time never really seemed to be seriously interested in giving Manitoba a boost. Now I hope that will change, I really do hope that we are going to be successful in getting a greater share of this particular work that is now available. I would hope that Air Canada will in the future decide to step up its maintenance work. As I said, there is some increase that we've observed. There are some more jobs coming in. I would only hope that this will continue.

I guess the other reason that I am a little sceptical about assistance from Ottawa is again going back to Saunders, and I don't want to re-hash that but there was a clear understanding that the federal government was to come in and really absorb it because it had taken over Canadair and Dehaviland and it was hopefully going to take over that work force at Gimli and integrate it somehow, not necessarily producing Saunders but producing some aircraft components. There was some understanding that that could happen. I'm afraid, Mr. Speaker, we were lead down the garden path. But not only myself, but the Premier at the time and other Ministers, had gone to Ottawa and we said here we have a wonderful work force at Gimli, several hundreds of people that had some experience after a couple of years and we had very low overhead, we had a very good operation in terms of an industrial setup. But the federal government, which had an opportunity at that time to come in and help it as it did help Canadair, it bailed out Canadair, it bailed out Dehaviland, refused to move in the case of Manitoba.

So I really hope that perhaps there is going to be a different attitude with this presumably greater attention being paid to western Canada. But one has to be rather sceptical about this, Mr. Speaker.

I didn't intend to talk so long but I got on one of my favourite subjects and as I was speaking, it reminded me of some of these past efforts that we made in the province. So I repeat, we support the resolution. There is no problem and we were all looking with great anticipation of actually accomplishing something but at the same time I say that I guess hope springs eternal, but I for one am a

little sceptical about what we're going to get out of this particular federal government.

Thank you.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Transcona.

MR. PARASIUK: Mr. Speaker, I want to take a few minutes to raise some concerns about Ottawa's honesty and neutrality on this whole issue. — (Interjection)— That's right, I don't trust them at all and I think that I agree with the intent of this resolution, but I think it's quite necessary for the Manitoba government to make a very strong clear case with the federal government for Ottawa to be honest in this respect.

I was concerned when the federal government was in the final stages of making its mind up with respect to one or the other of two aircraft that the block of Quebec MPs in the federal Liberal Party and the federal government caucus got together the night before the decision was made and tried to use their political muscle to undermine a technical decision and they were undermining the decision on the basis that there weren't enough benefits going to Quebec if they chose the F-18 and presumably some last minute adjustments were made to pacify this group of Quebec MPs and conceivably this was done at the expense of other regions of Canada. I would think that in terms of the province that probably lost most out of this, it was Manitoba.

To give you an indication of how ridiculous this situation is in this respect, the person who is leading the Quebec block of MPs was a man called Pierre Dawson, who is the parliamentary secretary to Lloyd Axworthy, who is Manitoba's Minister of Employment and Immigration. So we have his parliamentary secretary working against Manitoba and I think that's very dangerous. I think it's very important for Ottawa to make these decisions on the basis of trying to create some balance within the country, and in this respect Trudeau has not done anything since 1968 to promote the concept of regional development in the country. He had two major campaign flanks in 1968, one was bilingualism and the other was the reduction of regional disparities. He has pursued bilingualism with some fervour; I think it's a noble concept that was implemented wrongly.

However, he has not pursued the notion of regional development or reducing regional disparities with the same fervour at all. He set up DREE which frankly acts as a sop to poor regions and you try and buy them off, give them a few goodies here and there to make up for the inadequacies and inefficiencies of the federal national economic development policy, because the fundamental questions regarding transportation, the fundamental questions regarding decentralization, the fundamental questions regarding capital investment decisions aren't being affected at all by DREE's activities and aren't being made in such a way that they would enhance regions or provinces like Manitoba or the Maritimes. And I think we need a national industrial strategy that tries to deal with some of these questions and tries to deal with some of these issues and tries to build on strengths that exist in particular provinces, and obviously the aircraft industry does have strength in Manitoba,

does have a tradition. I was very disappointed to see the federal government being very wishy-washy on this matter and I think caving in wrongly to the Quebec MPs. I've spoken before in this Legislature regarding federalism and the fact that I have some sympathy for the cultural aspirations of Quebec and I think that some changes can indeed be made within the constitution to make Quebec feel more comfortable about, in a sense, retaining its cultural identity within the framework of federalism.

I believe, however, that Quebec is ill-served by MPs who try and use their muscle to try and do something which undermines the economic vitality of other parts of the country, and that they do so not on the basis of any type of technical analysis but that they do so on the basis that everything has to be judged, any economic development has to be judged in terms of its economic impact for Quebec, not on the basis of what the facts are with respect to that particular decision. And I said I found it incredibly ironic that Dawson, the Parliamentary Secretary to Axworthy, Manitoba's Minister would be the ringleader of this attempt, I found it rather surprising that the Minister of Employment and Immigration, who says that he is speaking out for western concerns, did not take a formal position in this matter, did not contradict his Parliamentary Secretary, did not point out to his own Parliamentary Secretary that Manitoba does have a sound basis in the aircraft industry, that Manitoba should be gaining more benefits. But rather, I think that he was looking for possibly some future backing from this Quebec block of MPs and was conspicuous by his silence on the matter. And I think that I wanted to take this opportunity to point that out, to point out the dangers that I think exist to us as a country, if Ottawa is going to make its economic development decisions on the basis of the lobbying strength of MPs in one province or another province. We are a province that has a smaller population, we only have two MPs from the federal Liberal party who represent us, supposedly, I would hope that the government in Ottawa takes into account the real needs and concerns of Manitoba and of other provinces when it makes these types of decisions and just doesn't make these decisions on the basis of political expediency.

I think that Manitoba doesn't want to be bought. I think that approach of trying to buy Quebec has not worked over the last 12 years and I think has led to increasing fragmentation rather than decreasing fragmentation. But we do want fairness and objectivity on the part of the federal government on this matter and I think, if we get less then I think Trudeau will in fact be setting the stage for a backlash that will affect him in constitutional discussions and which will affect him in other areas. And I think that would be wrong, I think it would be wrong for those people who have hopes for renewed federalism, it would be wrong substantively, it's wrong strategically, and I hope that he would show more leadership in this respect. I would hope that our western representatives would show more leadership in fighting for our particular needs on the basis of technical facts and not on the basis of political muscle. And I felt that we haven't had that to date with respect to this matter and I would hope that the Manitoba government will make the position

of Manitoba known very clearly to the federal government. We expect a fair deal. We haven't had it to date; we certainly didn't have it with respect to Saunders and we certainly didn't have it with respect to Flyer. The federal government is prepared to do a number of things of Canadair and deHavilland which frankly total to something in order of 650 million and they were not prepared to do anything with respect to the development of the aircraft industry through Saunders Aircraft. I think that was very unfortunate.

They aren't prepared to do much in the way of trying to ensure that Flyer Industries, which is very necessary if we talk about public transportation, it is very necessary for Flyer to continue to exist, it's very necessary for Flyer to provide an alternative to General Motors and the federal government has shown no leadership in this respect, possibly because they think that Manitoba with its small population, with only 14 MPs, isn't important enough to treat fairly with respect to industrial development.

So we have it both with respect to urban transportation, we have it with respect to the aircraft industry, we have a federal government that seems to be playing the numbers game and is treating less-populated areas unfairly. And that's why I think it's important for this resolution to pass; I think it's important for us to make our position more clearly than we have in the past; I think it's important for us to urge our federal MPs to try and protect our interests; and I think it's especially important for those people who are in the federal Cabinet, representing Manitoba, to represent Manitoba's interests fairly, to represent them strongly, and not in fact be pushed around by a lobby that is trying to unfairly bias and prejudice a technical decision.

QUESTION put, MOTION carried.

MR. SPEAKER: The next resolution is Resolution No. 17. The Honourable Member for St. Matthews.

RESOLUTION NO. 17 — GREATER WINNIPEG EDUCATION LEVY (1)

MR. LEN DOMINO: Mr. Speaker, I'd like to propose the resolution, seconded by the Member for River Heights.

WHEREAS the Greater Winnipeg Education Levy was introduced in 1972 with the objective of equalizing the tax burden of school divisions within the city of Winnipeg;

AND WHEREAS the actual effect of the Greater Winnipeg Education Levy is that a Winnipeg school division homeowner must pay more school tax than he or she would pay if the house property were located in any one of several other urban school divisions;

BE IT THEREFORE RESOLVED that an immediate study be made of ways and means to provide alternatives to the Greater Winnipeg Education Levy with a view to its ultimate abandonment.

MOTION presented.

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

MR. DOMINO: Mr. Speaker, in discussing the problem with the Greater Winnipeg Education Levy with members of my own caucus, members of the other caucus in the Legislature and with ordinary citizens, I found a great deal of misunderstanding and confusion. I actually found some of rural members, some northern members who thought that the equalization levy in some direct way affected their constituencies and their school divisions. It's really a problem that affects the city of Winnipeg School Divisions.

So I think maybe a little history of and a little bit of analysis of the mechanics of the Greater Winnipeg Education Levy might be of help right now. The levy was introduced, it was provided for under Section 537.1 of The Public Schools Act. The levy became effective January 1, 1972, at the same time as the establishment of the amalgamated city of Winnipeg, under The City of Winnipeg Act. The levy was imposed by the provincial government of the day, to equalize the property tax burden of some suburban school divisions within the Greater Winnipeg area, divisions that were about to face large increases in their school costs due to the amalgamation of the city of Winnipeg.

So the basic reason for imposing the Greater Winnipeg Equalization Levy was originally to balance the total real property taxes of people living in the various communities that were going to make up the new amalgamated city of Winnipeg. But the levy is really an additional tax imposed on the downtown neighbourhoods and communities to assist other communities within the city of Winnipeg. And the tax was imposed, and the original rationale of imposing a tax was that the assessment base made Winnipeg School Division rich in comparison to most of the other divisions, and it was imposed because some of the other divisions had a greater amount of commercial . . . or because Winnipeg Division had a greater amount of commercial and industrial property than other divisions, and it was imposed to give the various parts of the new city of Winnipeg a period of grace while the new administration structure and the new tax burdens were established and rationalized all across the city of Winnipeg.

Mr. Speaker, I have no quarrel with the original intentions of the Greater Winnipeg Equalization Levy. The Winnipeg School Division had no quarrel with that original intention; I'm sure that most reasonable people would not quarrel with it. But the Winnipeg School Division did argue from the very beginning that the Greater Winnipeg Equalization Levy should not be a continuous piece of legislation, should not continue forever, but it should last only three years. I think three years would have been fair. For the three-year period corresponds to the period during which additional provincial revenues were provided to the city in the form of equalization grants, designed to assist the transition to one city. Now unfortunately the government of the day, which I wasn't a part of, saw fit after the three years to stop its special subsidies, but it did not think it wise to rescind the Greater Winnipeg Education Levy which in effect is a subsidy by the central city residents to suburban residents.

Mr. Speaker, politicians are often accused of — well the first time I ran across the amalgamated city of Winnipeg, I was sitting at a meeting in Transcona

at a junior high school and that's the first time I ever saw in person the Member for St. Johns and he was there explaining the program and it was not popular in the community I lived in, which was Transcona. And I recall I was sitting beside a very large gentleman, whose is now a Member of Parliament, Mr. Blaikie, who was at that time a fellow member of the Young Conservatives and we were watching the events and we noticed the crowd was very hostile. And as I think we can all recall, there was a lot of hostility in the various parts of Winnipeg to the amalgamation of the city.

Often politicians are accused of buying people's votes or buying their acceptance of a program with their own money. In this case, what we've seen happen over the last few years is a slightly different variation on that. We've seen the suburbanites pacified and their support bought, not with their own money but with the money from the poorer people downtown, that is the actual effect of the Greater Winnipeg Equalization Levy. If the Greater Winnipeg Equalization Levy had ceased January 31, 1974 when the other equalization payments had ceased, Winnipeg taxpayers, downtown taxpayers of the old city of Winnipeg, would have been relieved of approximately 30 million of taxes, because that's what they've paid in since.

Mr. Speaker, let's take a look, I have no quarrel with the objective of the legislation which was to produce equalized taxes across the whole city, but let's take a look at what the actual result has been, because as we've heard many times in this House, the motives don't count, it what the actual effect of the legislation is that counts. The Greater Winnipeg Equalization Levy results in a homeowner on Victor Street, in my constituency, paying a higher rate of tax than someone who lives on Kildonan Drive or someone who lives on Park Boulevard or someone who lives on Kildare Street in Transcona. The Greater Winnipeg Equalization Levy accepts that a family in the west end of the city of Winnipeg, a poor older neighbourhood, can better afford a higher special levy for education than a family in Seven Oaks or a family in Transcona or a family in Assinboia. It's just not right. The Greater Winnipeg Equalization Levy further results in a situation where Division One taxpayers must provide equality of educational opportunity for a population which is more affected by urban blight than any other in the province and they still must donate millions more annually to keep other divisions' taxes lower.

Mr. Speaker, I don't believe the Greater Winnipeg Equalization Levy is any longer rational in the terms of the arguments that were used to justify it in the first place. The arguments were, well we'll help the suburban divisions, we'll assist them and we'll equalize the tax burden across the city of Winnipeg. What's happening because of the Greater Winnipeg Equalization Levy right now is that we haven't got equalization of taxes, we have the downtown people paying more and the suburbanites paying less than they should. Since the Greater Winnipeg Equalization Levy was introduced in 1972 realty taxpayers in Winnipeg School Division have contributed a total of 37,800,000 to reduce the tax burden of other Winnipeg School Divisions. For education, a Winnipeg School Division homeowner must pay anywhere between 100 and 200 more school taxes

than he would pay if the same piece of property was located in a suburban school division.

Mr. Speaker, something is seriously wrong. The Greater Winnipeg Equalization Levy places its reliance on a single piece of economic value. They take a look and they say the Winnipeg School Division's assessment base is higher, therefore we have to equalize it away, but the equalization levy is wrong because it doesn't account for the fact that it only takes into account one-half of the equation that the school division is faced with. The levy allows for the fact that Division One has a higher commercial assessment than other divisions, but the Greater Winnipeg Equalization Levy totally ignores the fact that the Winnipeg One Division must cope with many unique problems, problems which in many cases migrate to Winnipeg One from other school divisions, both rural, northern and suburban. If the Winnipeg taxpayers of Division One were not robbed by this totally unfair levy, they would be in a much better position to use their extra commercial assets or commercial assessment to help pay for the special educational needs of deprived children, many of whom have to live downtown.

Let's take a look at some of the special programs that are borne by this School Division One. There are 2,700 immigrant children in Division One schools right now who must be taught English as a second language. There are 5,000 native children out of 33,000 students in Division One, and that figure grows literally every day. And those are difficult children to teach, because they come from a totally different culture, they're often not familiar with the language, and they often have a very unsettled home situation. The Winnipeg School Division's school children's population is very transient; you must have read in the papers, the School Division tells me, I've seen it as a teacher myself personally, some elementary schools have as much as an 80 percent transitory rate during a school year; I mean that's 80 percent of the kids move into the school and move on to another school in one year. That takes extra resources to treat children like that. School Division One has a very high proportion of single family parents, they're extra cost too because those kids come, no matter how hard that single parent tries, they come almost always from a family which is not able to provide the same kind of an educational background that you'll find in a healthy, stable two-parent family.

Mr. Speaker, I don't think that any member here would argue Division One doesn't have special problems, that it doesn't require special resources to cope with those problems. The Winnipeg Free Press Editorial of March 14, I thought was right on when they said it can be acknowledged that the problems of Central Winnipeg are the problems of all Manitoba, since the city is the last refuge for those who cannot find adequate work, adequate schooling, or adequate lifestyles elsewhere in the province. Division One is faced with the problems that migrate from many of the other constituencies that are represented in this House.

Essential city homeowners or residents, most of whom represent the poor, and many of whom also work at or near the minimum wage, and very many of whom are senior citizens, they pay realty taxes because of this equalization levy, which is completely

disproportionate to the value and the quality of the housing in which they live. Mr. Speaker, there's no equalization tax at the municipal level for fire protection, or police protection, or parks and recreation or mass transit, and Mr. Speaker, many of these services, we all pay the same to supply these basic services, but many of these services cost a lot more to provide. If you think that mass transit does not cost more to supply to a Transcona resident than it does to one of my constituents, you're wrong, because it does, but we don't complain about that, there's no equalization levy for police out in the suburbs or for parks and recreation or sewer or water or any of the programs that cost more. But when it comes to education, it's a special exception, there is an equalization levy. It makes little sense to me that every level of taxpayers of the city of Winnipeg is taxed equally to provide for varying local needs in terms of fire and all the other things I mentioned, while for the education of children, not only do the real tax rates vary because of different local needs, but some divisions, two divisions, Fort Garry and Winnipeg One are forced to actually subsidize others to compensate for our reluctance to devise a fair tax structure.

Mr. Speaker, as I pointed out earlier, many of the services as transit, ambulance, fire, are more expensive to supply to outlying areas of Winnipeg, yet residents of these areas are not forced to pay extra. Why should my neighbourhood, why should my neighbours, my constituents, why do they have to pay more to supply education to core area children just because it's more difficult to supply education to core area children, just because it's more expensive because of special needs.

It should also be noted that this unequal and unfair equalization levy also contributes to urban decay, because it compounds the problem further, for each mill by which taxation in the central city exceeds taxation in the suburbs is a fresh incentive for development on the fringe and for decay in the core area. Mr. Speaker, from the very beginning, almost, and certainly after the first three years, Winnipeg School Division No. 1 and Fort Garry School Division raised the objections to the levy. The former Minister of Education, in 1972, of the previous government, to the present Minister of Education, have all been lobbied, they've all asked this unfair equalization levy be removed.

But the levy has been maintained because it's politically expedient, Mr. Speaker — five years under the ND government, two and a half now under the PC government — it's politically expedient, because regardless of what that levy is called, regardless of its weaknesses and its irregularities, Mr. Speaker, it means that if you remove the equalization levy, some people in the suburban school divisions are going to have to pay a little more.

Mr. Speaker, the last provincial government and this provincial government both recognize it's unfair. They've both said that they agree it should be removed; as an actual recognition, they've supplied special grants for inner city education, to try and compensate for the fact that neither government was willing to cope with a very difficult political problem, and try and help the School Division No. 1 to some extent. But the special inter city grants have not done the job. They won't do the job.

Let me quote from a January 16, 1979 submission by School Division No. 1 to the provincial government. It's a short quote, it just says, We would reiterate that an inner city grant is a poor and inadequate substitute for moneys we lose via the greater Winnipeg education levy. Mr. Speaker, in the very short time I have available, I would ask all members to consider this resolution, not in terms of partisan politics, I've tried to avoid, in the last few minutes, attacking members of the other party, because I don't believe that they are, in any significant way, that much more at fault than the present government. We are faced with a difficult problem. The problem grows worse as the burden on the city of Winnipeg grows heavier each year. A solution must be found. All this resolution asks, this resolution doesn't suggest any immediate solution, it asks only, the members of this House agree with me unanimously now, that we should begin immediately to find a replacement for the Greater Winnipeg Education Levy.

School Division No. 1 has not suggested a detailed solution. The Manitoba Association of School Trustees, who passed a resolution similar to this, one a little stronger, to be exact, at the last meeting, which called for the abandonment of this levy, they didn't offer a detailed solution. They've all said the same thing, it's a complicated, difficult problem, let this House urge the Minister of Education to begin now to find a solution, so that by next year we can have something in place, something that will treat downtown residents fairly, and hopefully, also treat the suburban residents fairly.

MR. SPEAKER: Order please. The hour being 5:30, when this subject next comes up, the honourable member will have five minutes.

The Honourable Member for Gladstone.

COMMITTEE CHANGE

MR. JAMES R. FERGUSON: Yes, Mr. Speaker, if I may, before we adjourn, I would like to substitute the name of Ferguson for Johnston on Economic Development. (Agreed)

MR. SPEAKER: The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, I move, seconded by the Honourable Minister without Portfolio that this House do now adjourn and resume in Committee of Supply at 8:00 o'clock.

MOTION presented and carried and the House adjourned and stands adjourned until 2:00 o'clock tomorrow (Tuesday).