

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**Thursday, June 5, 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**

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

**MR. J. WALLY MCKENZIE:** Mr. Speaker, I beg to present the first report of the Standing Committee on Law Amendments.

**MR. CLERK:** Your committee heard representations with respect to Bills as follows:

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No. 2 — An Act respecting the operation of Section 23 of The Manitoba Act in regard to Statutes, Loi sur l'application de l'article 23 de l'Acte du Manitoba aux textes législatifs.

Professor A. R. Kear, Private Citizen  
Georges Forest, Private Citizen

Mrs. Gilberte Proteau, Société Franco-Manitobaine  
No. 3 — The Powers of Attorney Act, Loi sur le mandat.

Dr. Sybil Shack, Manitoba Association for Rights and Liberties.

No. 14 — An Act to Amend The Law Society Act.  
Jack Duncan, Q.C., Law Society of Manitoba.

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No. 14 — An Act to Amend The Law Society Act.  
Edward Lipsett, Manitoba Association for Rights and Liberties.

No. 7 — An Act to Amend The Manitoba Evidence Act.

Cheryl Hall, Manitoba Bar Association.

No. 20 — An Act to Amend The Change of Name Act.

Dr. Sybil Shack, Manitoba Association for Rights and Liberties.

No. 21 — An Act to Amend The Social Services Administration Act.

Dr. Sybil Shack, Manitoba Association for Rights and Liberties.

No. 43 — An Act to Amend The Family Maintenance Act and The Queen's Bench Act.

Alice Steinbart, Coalition on Family Law.

Your Committee has considered the following Bills:

No. 2 — An Act respecting the operation of Section 23 of The Manitoba Act in regard to Statutes, Loi sur l'application de l'article 23 de l'Acte du Manitoba aux textes législatifs,

No. 3 — The Powers of Attorney Act, Loi sur le mandat,

No. 4 — An Act to Amend The Fatal Accidents Act and The Trustee Act,

No. 5 — An Act to Amend The Public Trustee Act,

No. 6 — An Act to Amend The Wills Act and The Mental Health Act,

No. 7 — An Act to Amend The Manitoba Evidence Act,

No. 9 — An Act to Amend The Limitation of Actions Act,

No. 14 — An Act to Amend The Law Society Act,

No. 21 — An Act to Amend The Social Services Administration Act,

No. 25 — An Act to Amend An Act to Incorporate the Sinking Fund Trustees of the Winnipeg School Division No. 1,

No. 26 — The Suitors' Money Act, Loi sur les sommes consignées en justice,

No. 27 — An Act to Amend The Liquor Control Act,

No. 33 — An Act to Amend The Public Libraries Act,

No. 35 — An Act to Amend The Legal Aid Services Society of Manitoba Act,

No. 36 — An Act to Amend The Highway Traffic Act and The Tortfeasors and Contributory Negligence Act,

No. 43 — An Act to Amend The Family Maintenance Act and The Queen's Bench Act,

And has agreed to report the same without amendment.

Your Committee has also considered Bills:

No. 18 — An Act to Amend The Surveys Act,

No. 28 — The Sanatorium Board of Manitoba Act,  
Projet de Loi No. 28 — Loi sur la Commission des sanatoriums du Manitoba,

And has agreed to report the same with certain amendments.

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

**MR. MCKENZIE:** Mr. Speaker, I move, seconded by the Honourable Member for Rock Lake, that the report of the committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** Ministerial Statements and Tabling of Reports . . . Notices of Motion . . .

**INTRODUCTION OF BILLS**

**HON. GERALD W. J. MERCIER (Osborne)** introduced Bill No. 80, An Act to Amend The Payment of Wages Act and The Real Property Act, and Bill No. 81, An Act to Amend Various Acts Relating to Courts of the Province.

**HON. WARNER H. JORGENSON (Morris)** introduced Bill No. 82, An Act to Amend The Clean Environment Act, and Bill No. 83, An Act to amend The Landlord and Tenant Act and The Condominium Act.

**HON. ROBERT (Bob) BANMAN (La Verendrye)** introduced Bill No. 84, The Lotteries and Gaming

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Control Act. (recommended by His Honour the Lieutenant-Governor).

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

**MR. PETER FOX (Kildonan):** I believe there is a correction there, the Honourable Minister meant to say the first time, not the second time.

**MR. BANMAN:** First time, Mr. Speaker.

### INTRODUCTION OF GUESTS

**MR. SPEAKER:** At this time I would like to introduce to the Honourable Members 44 students from the Mennonite College at Westgate, under the direction of Mr. Penkratz. This school is in the constituency of the Honourable Member for Wolseley.

We also have 16 students of Grade 5 standing from La Broquerie School under the direction of Sister Bermet. This school is in the constituency of the Honourable Minister of Fitness and Amateur Sport.

We also have 52 students of Grade 5 standing from the Heyes School in Swan River under the direction of Mrs. Nemez. This school is in the constituency of the Honourable Minister of Municipal Affairs.

And we have 12 students of Grade 2 to 6 standing from the Manitoba Christian Academy under the direction of Mrs. Wiebe. This is in the constituency of the Honourable Minister of Economic Development.

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 directed to the Minister of Labour. Can the Minister of Labour advise whether or not the negotiations involving MHO and CUPE have been resumed since they were last terminated this past Thursday?

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

**HON. KEN MacMASTER (Thompson):** I don't believe they have, Mr. Speaker.

**MR. PAWLEY:** Mr. Speaker, in view of the Minister's response that he doesn't think they have, can the Minister advise as to why it is that the conciliation officer hasn't been able to bring the parties back to the table?

**MR. MacMASTER:** I would have thought, Mr. Speaker, that the Leader of the Opposition would understand the negotiating procedures. What is taking place is that the Health Science Centre are the group that both parties have decided to use as the sample, if you wish, of where they are going, and that the said negotiations that are taking place at this time.

**MR. PAWLEY:** Mr. Speaker, in view of the Minister's response that the negotiations are awaiting the outcome of the negotiations at the Health Sciences Centre, then I would ask the Minister whether he has requested a report yet from the Conciliation Officer that is involved in the negotiations at the Health Sciences Centre?

**MR. MacMASTER:** There is no need to request a report from the Conciliation Officer, Mr. Speaker.

**MR. PAWLEY:** Mr. Speaker, the Minister indicates there is no reason to ask for a report from the Conciliation Officer. I assume that the Minister is indicating to us that he is aware of the progress of those negotiations without a report from his Conciliation Officer. I would ask the Minister to confirm that that indeed is the implication of the answer which he provided just a few moments ago.

**MR. MacMASTER:** Yes, Mr. Speaker.

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

**MR. PARASIUK:** Can the Minister tell us how many conciliation officers are involved in the Health Sciences Centre CUPE dispute and how many conciliation officers are assigned to the Manitoba Health Organization CUPE dispute, and if these are the same conciliation officers?

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

**MR. MacMASTER:** It is the same one at the Health Sciences Centre, Mr. Speaker.

**MR. PARASIUK:** I am a bit confused by the Minister's answer. Is he saying that a strike involving over 3,000 workers, over 30 health care facilities, thousands of patients, and tens of thousands of relatives, is in fact only being handled by one conciliation officer? Is that what he is saying is the government's priority to this industrial dispute?

**MR. MacMASTER:** Mr. Speaker, the Member for Transcona is explaining to us all his difficulty, his difficulty of understanding the negotiating process, difficulty shared by him with most of the members opposite. One conciliation officer deals with one set of situations, Mr. Speaker, and that is the way the negotiation process has worked for a long time in this province, even under the years that the opposition were in government.

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

**MR. PARASIUK:** In view of the fact that it is not reported anywhere that either management or CUPE has said that the Health Sciences Centre dispute will be the case for 30 other health care facilities, can the Minister indicate to us whether in fact it is not the fact that only one conciliation officer is involved dealing with the Health Sciences Centre and CUPE negotiations right now, which precludes the Manitoba Health Organization and CUPE from being brought back to the bargaining table, even though those

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negotiations broke off three full days before the negotiations broke off between the Health Sciences Centre and CUPE, and does this not prevent the collective bargaining process from continuing properly because of the lack of priority given to this issue by the government of Manitoba?

**MR. MacMASTER:** To the last particular sentence, it is utter nonsense, utter nonsense, Mr. Speaker. I suggest to you, Mr. Speaker, that the Minister of Labour or the conciliation officers do not decide the priorities. The people involved in the negotiating process decide the priorities, and I happen to be one Minister of Labour who has permitted them to decide that and I concur with their decision. They have decided themselves, not the Member for Transcona, who does not understand this process. They have decided themselves that that's the manner in which they wish to negotiate. A conciliation officer is in place, of which I suggest, Mr. Speaker, that both parties are quite pleased with his services.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MRS. JUNE WESTBURY:** Thank you, Mr. Speaker. My question is addressed to the Honourable Minister responsible for Manitoba Housing and Renewal Corporation. Would the Minister advise the House how much per annum the taxpayers of Manitoba are paying to CMHC for the property at York and Garry and for how many years we have been paying that amount.

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**HON. J. FRANK JOHNSTON (Sturgeon Creek):** I expect the Housing estimates will be up at the end of next week, Mr. Speaker, or this week.

**MRS. WESTBURY:** It's interesting that a few months ago, he had it on the top of his head, Mr. Speaker.

Would the Minister please advise the House which of the proposals for the site at York and Garry is now being considered by the department, in view of the statement by the assistant to the general manager that one is being pursued by MHRC and in view of his further statement to the effect that that goes not include an IGA component.

**MR. JOHNSTON:** We were contacted by MBS, Mr. Speaker. They phoned me personally. I had the chairman of the board contact the president of MBS Construction, at which time we told him that he would be welcome to make a proposal to us on the property, as anybody else would be welcome to. I don't think that that is pursuing it; I think it is making it available to anybody to make a proposal, Mr. Speaker.

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

**MRS. WESTBURY:** Thank you, Mr. Speaker. I wonder if the Minister would tell us whether the proposal includes housing and commercial facilities; whether in fact they have come back with a

proposal; whether he has schematic drawings or something more than he had from the previous proponent, which he said was not sufficient.

**MR. JOHNSTON:** Mr. Speaker, as I said, we don't pursue them. We have not received a proposal since our discussions with them. We have not received any drawings and, Mr. Speaker, the member may relate, if she likes, to the fact that somebody presented drawings, but that's all they did present, was drawings, no proposal, absolutely nothing else with it, Mr. Speaker.

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

**MR. RUSSELL DOERN:** Mr. Speaker, I would like to direct a question to the Minister of Finance concerning a large advertisement that appears again in today's paper promoting Manitoba's White Paper reforms. I wonder if the Minister could indicate how many ads there are in this series that we are seeing.

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

**HON. DONALD W. CRAIK (Riel):** There are a number, Mr. Speaker.

**MR. DOERN:** Mr. Speaker, I would wager that there are hundreds of thousands of dollars worth of these ads going throughout Manitoba. I wonder if the Minister could —(Interjection)— Well, we would never catch up to CFI, which you cost us as well, although you don't remember signing the document.

Mr. Speaker, I wanted to ask the Minister of Finance if he could indicate —(Interjection)—

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

**MR. DOERN:** Mr. Speaker, I wonder if the Minister of Finance could indicate where the funds for these advertisements are found in the estimates, and if he could also indicate the total amount budgeted for the ads.

**MR. CRAIK:** Mr. Speaker, the Leader of the Opposition just finished filing an Order for Return in the last two days. Those kinds of questions, Mr. Speaker, are properly located in an Order for Return. If the member wants that information, he should either have concluded it or he should place another Order for Return.

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

**MR. DOERN:** Mr. Chairman, just on that point, I assume the Order will be understood to include the entire program; I assume that will be understood.

Mr. Speaker, the other question I asked, again, is whether the expenditure of public funds to promote the Progressive Conservative Party of Manitoba is a legitimate expense, because I believe that the bill for these advertisements should be forwarded to Progressive Conservative Party headquarters, and I ask the Minister whether he wouldn't agree, on a point of principle?

**MR. CRAIK:** Mr. Speaker, that kind of statement or that kind of position or that kind of assessment of what is attempting to be done here is utterly preposterous. Mr. Speaker, what is going out in the advertisements are the types of information that have to go out in order for the programs to be in the final analysis understood. We underwent criticism, Mr. Speaker, during the Budget Debate about the lack of time that may be available to get the programs across to the people. Mr. Speaker, what we are doing is in part addressing that problem of the lack of time. Some of them come into play in the end of the third quarter of this year, and the major one has to be in place by the end of this year. In the meantime, there is a tremendous amount of information to get out to people.

So, Mr. Speaker, the ads hopefully will address that problem and help people be aware of what is available to them, because it's an application-type program.

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

**MR. VIC SCHROEDER:** Thank you, Mr. Speaker. A question for the Minister of Transportation. Could he confirm that — is the Minister of Transportation listening? Okay. A question to the Minister of Transportation. Could he confirm that the Department of Highways has ordered approximately eight trucks off a job at Wabowden and, if that is correct, could he advise as to why this was done.

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

**HON. DON ORCHARD (Pembina):** I can't confirm that the Department of Highways ordered trucks off a job at Wabowden, Mr. Speaker.

**MR. SCHROEDER:** Thank you, Mr. Speaker. A question for the Minister of Finance. Has he now decided whether or not to release an expired potash lease to me, the lease that was entered into in approximately 1973 in which he instructed his staff at the Mining Recording Office to refuse to release to me, and if not, can he advise the House as to the percentage of participation rate retained for the province of Manitoba pursuant to that lease?

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

**MR. CRAIK:** Mr. Speaker, to reiterate for the record, the document the member refers to was never part of the normal documentation that was normal to the Mining Recorder's Office, so it wasn't a matter of instruction to them to not release the documentation. Mr. Speaker, they were doing exactly what they have always done through the decades of the operation of the Mining Recorder's Office.

Mr. Speaker, the second part is, that this document to which the member refers was not apparently tabled at the time of any regulations being issued by Order-in-Council, because I presume Order-in-Council regulations never were issued.

With regard to that point, Mr. Speaker, the government of the day had every opportunity to do

whatever it wanted to do with the document, so maybe the member's question more properly ought to be put to his side of the House, or to the members that were there when they were there . . .

**MR. SPEAKER:** Order please. It is a well-established rule in this Chamber that questions should only be addressed to members of the Treasury Bench.

The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, the final part of the question as to the percentage involvement, I have to tell the member, the document is so important I haven't even read it or seen it yet. Mr. Speaker, in due course, and perhaps by the time the estimates are before the House, I will have had an opportunity to review it all and can answer some of those questions.

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

**MR. SCHROEDER:** Mr. Speaker, I think one of the difficulties with this government is that it never does look into history in order to examine what it should be doing in the future.

In view of the fact, Mr. Speaker, that I was informed by the Chief Mining Recorder of this province on one day that I was entitled to that particular document on payment of 2.50, and in view of the fact that I was later informed by him, after the Minister had spoken to the superior of the Mining Recording Officer, I submit that what the Minister is saying is incorrect, that in fact, the refusal was based on the . . .

**MR. SPEAKER:** Order please. If the honourable member has a question — the Honourable Member for Rossmere.

**MR. SCHROEDER:** Mr. Speaker, could I ask the Minister whether he can now confirm that that particular document has ever been refused to anyone, and can he now confirm that that document, at the time it was originated, was no different in form or substance than any of the other quarry mineral leases which were issued at that time, and had absolutely no necessity for any kind of regulation being issued for them? Could he further advise as to whether his government or he took the time to read the Mineral Exploration and Development Agreement, which was entered into between Canada and Manitoba in 1976, and which expired under his term of office? Has that been renewed?

**MR. CRAIK:** Mr. Speaker, the document in question is not a usual document, and that is precisely why the Mining Recorder's Office at the time which the member refers to, examined it and indicated that it was a one-of-a-kind document that had come about after the changes in the mining regulation that were brought in by the former government.

With regard to the rest of it, Mr. Speaker, that being the case it was the government of the day's decision to change the rules. It was entirely within their power to change the rules in the way they saw

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fit or they could have issued regulations by Order-in-Council. It was up to them. They didn't. Mr. Speaker, now the member is getting exorcized because this government is not doing something. I have to tell him, Mr. Speaker, that there are literally hundreds and thousands of those kinds of things in government and, Mr. Speaker, it's not a case of telling the member it's not available. In due course we'll have a look at it.

Mr. Speaker, the member suggests further and asks if we don't review history in these things. There is one period of history, Mr. Speaker, it would be very poor guidance for us to follow and that's the period in which this document was brought about.

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

**MR. RONALD McBRYDE:** My question is to the Minister of Highways and I would like to know if the Minister's department has started spraying the chemical 2,4,5-T on northern roads? Mr. Speaker, even though I would prefer this chemical not be used, I wonder if the Minister yet has made a decision about at least posting the roadsides where this chemical will be used, and if he's made that decision whether or not he's notified the northern highways officials and asked them to post the roads where 2,4,5-T will be sprayed?

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

**MR. ORCHARD:** Mr. Speaker, I believe we will be starting the roadside spraying program very shortly, possibly next week. We are undertaking it at this time of the year so that we don't have to go back and make a second application because control is very excellent at the start of the growing season. I will check for the benefit of the honourable member and I will inform him as to the dates on which we anticipate spraying to take place.

**MR. McBRYDE:** Mr. Speaker, my question to the Minister was whether or not he had made a decision, as he indicated he would take a look at the possibility of putting up notices in the areas where the chemical was being sprayed. Will the Minister be requiring notices to be put up or won't he be requiring notices to be put up?

**MR. ORCHARD:** Mr. Speaker, I discussed that with officials in the department and it would be of some difficulty and of some limited value to put up signs, and I will attempt to explain why as I have reiterated it on several occasions now.

The spraying program undertaken is to provide spot control in various areas on four stretches of roads in district 10, as I have already mentioned to the Member for The Pas. It is not a general application of the herbicide. It is spot spraying, particularly on areas of regrowth of willows primarily, Mr. Speaker, regrowth in areas in which the department last year undertook a manual cutting program to remove the tall willows which would not be effectively controlled by spraying last year. When you cut a willow it regrows, Mr. Speaker, as The Member for The Pas very well knows, and the most effective way to control that tender regrowth is by

the use of the brush killer 2,4,5-T. We may be able to, Mr. Speaker, eliminate those willows so the necessity of future applications of any herbicide would be not necessary if we achieve good control with this year's spraying program.

Now as I mentioned, Mr. Speaker, those areas that are to be sprayed are spots on both sides of the right-of-way within approximately 200 miles of roads in northern Manitoba. It would be very difficult, Mr. Speaker, to mark each individual section, and it has been deemed of not a great deal of benefit in terms of warning people that the spraying program has been undertaken to provide a warning sign at the front and the back of each spray section. Because I mentioned, Mr. Speaker, some of them are some 60 miles long and we could put one sign at the front and indicate that spot spraying had taken place for the next 60 miles or 90 kilometers as the case may be, and a sign at the other end of the sprayed stretch indicating that spraying has been undertaken on a spot basis for the next 90 kilometers. I think the most adequate protection that we can provide, and I have agreed to provide this information to CBC North, in that we will provide them with the information as to when the spraying will be undertaken . . .

**MR. SPEAKER:** Order please. I appreciate the fact the Minister is trying to give you detailed information. I think it's probably a little too long for the question period and if he could provide the House with it in typed form we would appreciate it.

**MR. McBRYDE:** Mr. Speaker, I think that the Minister said no. I think that's what he said.

Mr. Speaker, my further question is to the Minister of the Environment. I wonder if the Minister could tell us how many local governments have been approved in their weed control and brush control program for the use of 2,4,5-T, and if there are any direction guidelines, or restrictions or are they just allowed to use this as they see fit, or does the Department of the Environment put some restrictions on how this chemical is used?

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

**MR. JORGENSON:** Mr. Speaker, the restrictions that are in place are those that are contained in the instructions for spraying. The areas that are being sprayed are the decision of the municipality involved and it's essentially for brush control.

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

**MR. LEONARD S. EVANS:** Thank you, Mr. Speaker. I would like to address a question to the Minister of Finance respecting a statement recently made by the Prime Minister whereby he conceded the possibility of ending tax indexation, and my question is has the Minister of Finance had any indication directly from the federal government that the inflation indexing of income tax will be either removed or modified?

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

**MR. CRAIK:** Mr. Speaker, we have not heard any formal indication from the federal government that there is going to be any action taken on this.

**MR. EVANS:** I wonder then if the Honourable Minister would advise whether the government plans to approach Ottawa in this matter and to enquire about the probability of either removing the index system or modifying it in some way. And also I would like to ask the Honourable Minister if the government has any particular position with respect to this type of indexation?

**MR. CRAIK:** Mr. Speaker, as the members know an action such as this is entirely a federal action. We have not had cause to address the question at this point in time. Presumably if the federal government was going to make a move such as that, they may take advantage of an opportunity to consult with the provinces. Hopefully they would, and at that point in time, of course, we would have to deal with it. I believe there was an order for return last year or a question which may have been answered in the House, placed by one of the members opposite, about the amounts of dollars that would be involved or had been involved by indexing over the years. I think that information may well be on the record if the member wants to avail himself of it.

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

**MR. EVANS:** Thank you, Mr. Speaker. There is no doubt that that matter will have very considerable income impact for the provincial treasury. I have another question for the Minister of Finance with respect to the income limits for the Manitoba Supplement for the Elderly. I wonder if the Minister could advise whether the income limits that have been in effect under the old program will be the same income limits that will be in effect for the new program, that is, applicable to people 55 years of age or over.

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

**MR. CRAIK:** Mr. Speaker, I will take the question as notice, but just for clarification, the member is asking what the qualification conditions would be between ages 55 and 65 primarily? Yes.

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

**MR. JAY COWAN:** Thank you, Mr. Speaker. My question is to the Minister of Health. As the Minister of Labour has indicated today that the Manitoba Health Organization will be using negotiations at the Health Sciences Centre as part of pattern bargaining, and as the Minister has further implied that that settlement there will be used by the Manitoba Health Organization in their negotiations as a basis for a settlement, can the Minister of Health inform the House as to when such an agreement was reached between the Manitoba Health Organization, the

Health Sciences Centre and the Canadian Union of Public Employees? Can he further table any documentation confirming that such an agreement in fact has been discussed and has been reached?

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

**MR. MacMASTER:** Mr. Speaker, the preface to the member's question was absolutely incorrect. I said the appearances seemed to lead you to think that, a hell of a difference, a big difference. Because requests had not been asked, you would assume that that had taken place. It's only an assumption that the Member for Churchill has made that leads him to ask the question, so I just thought I would clear that up with the Member for Churchill.

**MR. COWAN:** Thank you, Mr. Speaker. I thank the Minister for correcting his information earlier, because it was an assumption that was made by many of us on this side, and I'm certain many who were listening to his answer.

I would ask the Minister of Labour then, if he can indicate if such an agreement has in fact been reached, and if it has not, why are there not conciliation officers in place in large enough numbers to deal with the many strikes that are currently being taken in many health care facilities in the province?

**MR. MacMASTER:** Mr. Speaker, there is no such agreement that I know of, and if I did know, or if the parties themselves had agreed upon that, it's really not for me to put my nose into their particular business on their negotiating strategy. If that in fact is a strategy of theirs, I think that's where it belongs, with them, and not here in the House. Conciliation people are in place if parties, if those parties — (Interjection)— If somebody else opposite has another question, they can get up. I'm trying to deal with the Member for Churchill's question, Mr. Speaker. If in fact conciliation officers' services are required, we are prepared to provide them. We have provided the appropriate conciliation officers that have been requested, at the time that they have been requested. There has been no problem and I foresee no problem.

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

**MR. COWAN:** Thank you, Mr. Speaker. I would ask the Minister of Labour then, if he can indicate exactly how many conciliation officers are now presently working on this dispute, and can he also further indicate if those same conciliation officers are not also involved in many other disputes taking place between other unions and other employers in the province at the present time?

**MR. MacMASTER:** Mr. Speaker, there is one conciliation officer at this particular time dealing with the Health Sciences Centre and the CUPE union, both groups, responsible groups, paired off with a very responsible conciliation officer, and that is all that's required right as of today. If further people are required to deal with the situation, that will be dealt with at that particular time.

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

**HON. DOUG GOURLAY (Swan River):** Mr. Speaker, I would like to respond to a question that I took as notice on Tuesday from the Member for Lac du Bonnet with respect to the administrator for the LGD of Alexander. One correction I would like to make, at the time that the member asked the question, he indicated that the administrator had been suspended for a period of time. I would like to remind the House that the administrator was not suspended. He was given temporary leave of absence at his own request.

I would also like to respond further regarding the question — the member said he was in fact reimposed on the council. At this time, I would like to say that we do not stockpile administrators in the Department of Municipal Affairs and so, in fact, we do not have extra personnel that we could just on the spur of the moment send out to the LGD of Alexander. However, at the council meeting that was held on May 28, I understand that the council there did discuss the question of an administrator for some length of time, and the information I have is that they agreed that they would take Richard Andries back as soon as possible. However, at the same time, there was a resolution passed requesting that I have Mr. Andries transferred by not later than August 1.

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

**MR. SAMUEL USKIW:** Mr. Speaker, I want to thank the Minister for his answer in that, as I understand his answer — he may correct me if he wishes — that my assumptions are then correct, that the council did — and he may confirm this or otherwise — that the council did have to accept this particular person under duress, on the basis that the department was not able to provide an alternative person. That is what the Minister has just stated.

I ask the Minister then, since he has a number of LGD administrators throughout the province, whether or not it wouldn't make some sense, given the circumstances within the LGD, that he simply switch administrators, moving one from another local government district to Alexander, and vice versa, so that we don't have a conflict of interest situation at hand.

I ask him that because, Mr. Speaker, as the Minister knows, there is still an election under way in the LGD to fill one position on council, and given the fact that this administrator was involved in unseating the council and is now back involved in the administration of the affairs of the LGD, that that truly could raise a number of questions as to conflict of interest, and as to whether Richard Andries, for example, would want to see this councillor re-elected and whether or not he can stay out of the election campaign. I ask the Minister whether that isn't a problem for him.

**MR. GOURLAY:** Mr. Speaker, it is a matter of opinion only that the administrator was involved in the situation resulting in the by-elections. However, I can say at this time that I will instruct staff to

negotiate with the LGD with respect to replacement with an administrator that would be satisfactory to all parties concerned.

**MR. USKIW:** Mr. Speaker, the Minister suggests that it's a matter of opinion. I ask the Minister to then recapitulate for us his own statements of some two or three weeks ago, when I believe he told this House that, yes, it was true that this particular administrator was involved in seeking the resignations of the council. I ask the Minister whether that is not his own statement?

**MR. GOURLAY:** Mr. Speaker, there was considerable discussions in the House with respect to the LGD administrator, and the administrator chose to seek temporary leave of absence because of the allegations. Since that time, information that has come to my desk I have forwarded to legal counsel for advice, and I have been advised that the administrator has not violated his duties as administrator, and the Council have seen fit, the majority of Council at least, to obtain the services of Mr. Andries on a temporary basis to clean up the backlog of work that has been created there.

**MR. SPEAKER:** The Honourable Member for Lac du Bonnet with a final supplementary.

**MR. USKIW:** Mr. Speaker, I would now ask the Minister whether he has received a letter from one Mr. Edgar Vincent, who is one of the candidates running for Council, and one of those who the Minister suspended for a period of time, whether he has received a letter from him rejecting the Minister's statements in the House the other day?

**MR. GOURLAY:** Mr. Speaker, I have not received a letter at the time of coming into the House today from Mr. Vincent, and I would like to further clarify the point that I did not suspend Mr. Vincent; he resigned.

**MR. SPEAKER:** The Honourable Member for Rock Lake.

**MR. HENRY EINARSON:** Mr. Speaker, I direct this question to the Minister of Economic Development. My question relates to the dredging of the wharf in Churchill last year by the federal government, and in view of the fact that a number of problems were encountered in this process of dredging the wharf, I am wondering if the Minister has had any communications with the Honourable Mr. Pepin to see whether those problems have been overcome and if we can be assured that the ships are going to be able to load this summer without any problems?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

**MR. JOHNSTON:** Mr. Speaker, I personally haven't had any communication with the Honourable Mr. Pepin. I will take it under advisement though and check with my department, the head of the Department of Transport, and see if there has been any work done in this respect with my department or

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the Department of Agriculture, or the Honourable Minister of Highways' Department.

**MR. EINARSON:** A supplementary question, Mr. Speaker, to the same Minister. I would ask him he would seek assurances from the federal Minister responsible to make sure that there are going to be no problems because of the problems that were arisen last year from the dredging. I am just wondering about that and I hope that the Minister will seek from the Honourable Mr. Pepin assurances so the farmers of western Canada will be able to load ships with grain this summer.

**MR. JOHNSTON:** Yes, Mr. Speaker, I will follow that up too.

**MR. SPEAKER:** The Honourable Member for Flin Flon.

**MR. THOMAS BARROW:** Thank you, Mr. Speaker. My question is to the Minister of Transport. Due to the fact that an administrative law hearing on the possible effects of the chemical on humans and wildlife is currently on the way in Washington, the hearing before the Environmental Protection Agency will present arguments from the chemical companies which manufacture the dangerous chemical, 2,4,5-T, as well as toxicology experts and environmental groups, could the Minister, in his great wisdom and experience, not delay or suspend the use of this dangerous chemical until the findings of this hearing are finalized?

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

**MR. ORCHARD:** I certainly want to thank the Member for Flin Flon; he seems to have changed his opinion as to the degree of intelligence he attributes me with this week to last week. Last week he was insinuating that I had a great deal of lack of same.

Mr. Speaker, what is happening, I believe, and he is making reference to it in the hearing that is taking place, is a review of the chemical 2,4,5-T, which has been banned use of in some states because of some allegations. What is being attempted at this time, as I understand it, is to determine, Mr. Speaker, whether those allegations are factual, because a number of studies, Mr. Speaker, have pointed out that the ban was premature. The most prominent one, of course, is the study undertaken in Great Britain by a panel of independent scientists commissioned by the government of Great Britain, which extensively, Mr. Speaker, examined the use of 2,4,5-T and have recommended that 2,4,5-T can indeed be used in accordance to manufacturer's directions with no harm to humans or animals, Mr. Speaker.

**MR. BARROW:** Mr. Speaker, thalidomide got the same recommendation.

My question, Mr. Speaker, is that you led the House to believe that this would only be used in the north on 291 on the long stretch — 391, pardon me — of very sparse population. Now I understand, and from a good authority, that the manager of the 24,000 square mile conservation district, Doug Foreman, Thursday said the Conservation District

has 200 gallons of the 50-50 mixture containing 2,4,5-T and 2,4-D. About a half-gallon of the chemicals will be diluted with 30 gallons of water to spray an area of about one acre. This will take place in the White Mud Watershed Conservation District, which is responsible for drainage and soil conservation, and 14 rural municipalities in the province will be using a 50-50 mixture . . .

**MR. SPEAKER:** Order please. Has the honourable member a question?

**MR. BARROW:** In view, Mr. Speaker, that he deliberately misled this House by using this in the north in one area, it has been used all over the province. And this chemical, anyone can obtain it in large quantities.

**MR. ORCHARD:** Mr. Speaker, with all due respect to the Member for Flin Flon, who is a longstanding member of this Chamber, I would hope that he would consider the remark that I misled this House. I have not misled this House, Mr. Speaker. My department, over which I have control, is using 2,4,5-T for brush control on four stretches of provincial road and PTH in District 10 in the province of Manitoba. I cannot answer, Mr. Speaker, for other uses, nor was I asked for other uses of 2,4,5-T in the province.

I would ask you, Mr. Speaker, to direct the Member for Flin Flon to withdraw the remarks that I misled the House, because I did not, Mr. Speaker.

**MR. BARROW:** Mr. Speaker, we are faced with a dangerous situation that concerns people in the north. This Minister is gambling with the health and well-being of northern people . . .

**MR. SPEAKER:** Order please. Order please. The honourable member has been asked to withdraw a statement that he made. Is the honourable member prepared to withdraw that statement?

**MR. BARROW:** Definitely not, Mr. Speaker.

**MR. SPEAKER:** Order please. Does the honourable member recognize the seriousness of the position he is now taking?

**MR. BARROW:** I realize the seriousness of using this dangerous chemical, this dangerous gas, in places where people can't protect themselves, that is what I realize, and I will not withdraw.

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

**MR. ORCHARD:** Mr. Speaker, the Member for Flin Flon started out last week making some crude allegations about the effects of 2,4,5-T, for which he has absolutely no medical information to back that up; he cannot produce it today and he won't be able to produce it tomorrow, Mr. Speaker. I ask him categorically to withdraw the allegations he made against me that I had misled the House as to my department's use of 2,4,5-T, and should he not withdraw those remarks, Mr. Speaker, I would request that you deal with the matter appropriately.



**MR. BARROW:** Mr. Speaker, not only did he mislead this House, he deliberately misled this House.

**MR. SPEAKER:** Order please. Order please. I would have to ask the honourable member to withdraw the statement he has made against the Minister of Highways and Transportation.

The Honourable Member for Kildonan on a point of order.

**MR. FOX:** Mr. Speaker, I believe the situation resolves itself around a question being asked and an answer being given, and as to whether the House was misled. The question that was asked was whether the government would not consider not using this dangerous chemical. The Minister answered on behalf of the government, and if he had it in mind that only his department he was speaking for, he didn't indicate that. So therefore, I can't see that difference of opinion between two members as to what each of them meant should be called for a retraction.

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

**MR. ORCHARD:** Mr. Speaker, on that same point of order, the questions that have been directed to me have been in regard to the use of the chemical 2,4,5,T in my department. I have answered specifically on behalf of my department for its use of the chemical. The Member for Flin Flon laid the allegation before this House and the people of Manitoba that I deliberately misled the House as to the use of 2,4,5,T in my department, which I have not, and I ask him to withdraw those remarks, Mr. Speaker.

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

**MR. MERCIER:** Mr. Speaker, on a point of order, you have made a specific request to the Member for Flin Flon, and the only matter presently before the House is whether he is going to comply with your request.

**MR. SPEAKER:** The Honourable Member for Elmwood on the same point of order.

**MR. DOERN:** Mr. Speaker, just a brief comment here. It seems to me that the request — (Interjection)— I can speak on the point of order. That's what I'm doing. Mr. Speaker, the concern about the misleading and the withdrawal did not come from yourself, it began with the Minister, who suggested that there was some misleading and that that should be withdrawn. He made the demand for the withdrawal, it did not come from you, Sir, and I think it would be to the advantage of everyone if the record were studied, to analyze the questions asked by the Member for Flin Flon and the answers given, because I could see that the Member for Flin Flon has a legitimate case in arguing that it was the Minister that misled the House, not himself. I think you can only determine that by studying the questions and answers of the other day.

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

**MR. ORCHARD:** Mr. Speaker, on that same point of order, the Member for Elmwood has now indicated that I am the one that made the allegation of misleading the House. That is not correct. I asked for a withdrawal of an incorrect statement by the Member for Flin Flon that I had misled this House. I would ask you, Mr. Speaker, to ask the Member for Flin Flon to withdraw that allegation, and furthermore, Mr. Speaker, to withdraw the allegation that not only did I mislead the House, but that I deliberately misled the House, both accusations which, Mr. Speaker, are false categorically, and I want the Member for Flin Flon, as a gentleman, and an honourable member of this House, to stand up and have the constitutional fortitude to withdraw those allegations and those incorrect statements, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Flin Flon.

**MR. BARROW:** Mr. Speaker, I have never professed to be a gentleman. And if the Honourable Minister is a gentleman, I just would rather not be a gentleman.

Mr. Speaker, I asked him a question on the use of 2,4,5-T. He — and Hansard, I think will prove it — said, yes, it will be used on a barren, unpopulated area of the north, which happens to be in my area. I can see that. But that's the impression he left with me and left with the House. If that's not misleading, what is?

**MR. SPEAKER:** Order please. I'll read Citation 19.1 from Beauchesne: A dispute arising between two members as to an allegation of facts does not fulfill the condition of parliamentary privilege. One of the privileges of this Chamber is the right to make statements and the right to reply to them.

The Minister of Transportation has told the Honourable Member for Flin Flon that he did not mislead the House as the Member for Flin Flon has charged. If the Honourable Member for Flin Flon believes that he has misled the House, then let him show me the record and read into the record where that occurred. In the meantime, I would suggest to the honourable member that the request of him from the Honourable Minister of Transportation is a very reasonable request. If the member, later on, in checking the record, finds in fact that things are not as he believes them to be, he has the right, later on, to raise that issue again.

I would suggest to the honourable member at this particular time that he accede to the request, a very reasonable request that has been made of him, and he still has the opportunity then to check the record to see whether or not his charges are founded. So I would ask the honourable member to consider carefully the request that is made of him at the present time to withdraw the remark. That would then give him the chance to check, to go back and check his Hansard, and then he could satisfy himself as to his own belief in whether or not the matter is one that is as he believes it to be.

The Honourable Member for Flin Flon.

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**MR. BARROW:** Mr. Speaker, not wishing to make your task more difficult than it is, and realizing that all of us at some times are wrong, I will accede to your suggestion until the Hansard is produced.

**MR. SPEAKER:** I thank the Honourable Member for Flin Flon.

The Honourable Member for Kildonan.

**MR. FOX:** Mr. Speaker, on a matter of procedure, on a point of order, I think you indicated that the Honourable Member for Flin Flon would have to prove his opinion. I believe that is contrary to the rules of this House; I believe a member is entitled to his opinion, he doesn't have to prove it to anyone. If a Minister can make a statement and have an opinion, so can any ordinary member of this House. —(Interjection)— I would suggest, respectfully, Mr. Speaker, that I am delighted that my colleague, the Member for Flin Flon has been gracious enough to not force a ruling out of you, but I think the ruling would have been wrong, because there is every right for every person to have an opinion.

**MR. SPEAKER:** Order please. Order please. It is highly improper for any member of this Chamber to deal with a possible ruling of the Chair which has not been made, and I would suggest to the honourable member that he reconsider that.

The Honourable Member for St. Boniface.

**MR. LAURENT L. DESJARDINS:** Mr. Speaker, I think that this thing is going a little too far. In the many years that I have been here, I don't remember one session that someone wasn't accused of misrepresenting. You've got a case, if there's honourable members in this House, all the members are honourable. And we are told any time that a Minister doesn't agree, he asks us to withdraw. I stated in this House many times that the Minister of Health, for instance, was misrepresenting, and I would never withdraw that. He stated it outside the House, and I state it here, this is my opinion. He might not agree with me and in political life . . .

**MR. SPEAKER:** Order, order please. Can the honourable member indicate to me on what point he is rising?

**MR. DESJARDINS:** The same point of order that you allowed the House Leader of the Party to stand up.

**MR. SPEAKER:** Order please. I would have to point out to the honourable member he is out of order.

Orders of the Day. The Honourable Member for Logan.

### COMMITTEE CHANGES

**MR. WILLIAM JENKINS:** Mr. Speaker, before the Orders of the Day, I'd like to make a change in Public Utilities and Natural Resources Committee. Substituting the Honourable Member for Churchill in place of the Honourable Member for Rossmere.

**MR. SPEAKER:** Are those changes acceptable to the House? I declare the change in order. The Honourable Government House Leader.

**MR. MERCIER:** Mr. Speaker, I move, seconded by the Honourable Minister without Portfolio, 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 Education, and the Honourable Member for Virden in the Chair for Municipal Affairs.

### CONCURRENT COMMITTEES OF SUPPLY SUPPLY — MUNICIPAL AFFAIRS

**MR. CHAIRMAN, Morris McGregor (Virden):** I call the Committee to order. We are on Municipal Affairs, Resolution 93 — the Honourable Minister.

**MR. GOURLAY:** Thank you, Mr. Chairman. In introducing the estimates for the Department of Municipal Affairs, I would first like to acknowledge the various municipal organizations, committees and boards associated with my department; specifically, the relationship between the Union of Manitoba Municipalities, the Manitoba Association of Urban Municipalities, and the Municipal Secretary Treasurers' Association has always been rewarding; also the contribution to local government made by the elected municipal councils, the individual councillors deserve recognition. The dedication and common sense shown by these hard-working Manitobans, active in municipal government, has always impressed me.

In addition, I recognize also the contributions made by those who sit on the Municipal Advisory Committee, the Municipal Employees' Benefits Board, and various other committees, both formal and informal.

As a former Mayor of Swan River, I am aware of the dedication, perseverance and frustration that is involved in administering municipal government, and I acknowledge with respect the contributions made by all those active in this most interesting and challenging field.

Before detailing my estimates, I would like to recognize the outstanding contributions made by the employees of the Department of Municipal Affairs. Over the years this department has been well served by its Deputy Ministers; R.L. McDonald, although retired now, is still active on the Assessment Inquiry Commission; Jack McNairny has shifted his talent to serve my colleague in the Resources field; Gerald Forrest will undoubtedly continue in this fine tradition.

As well, I would like to take this opportunity to express my appreciation to the directors and employees of the Department of Municipal Affairs, including the Municipal Board, for their continuing service to local government.

Our common goal is to work with the municipalities in maintaining the good solid working relationships

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that have traditionally characterized business dealings between the province and municipalities.

Looking at the estimates for the Department of Municipal Affairs for the year ending March 31, 1981, the department total is 23,955,100. This is an overall increase of 1,584,400 from last year's estimates. You will note for accounting purposes that the 30 million, the block funding account to the city of Winnipeg, is shown in the left-hand column. The administration of this account has been removed from the Department of Municipal Affairs and is now being administered by the Ministry for Urban Affairs. Other increases generally reflect general salary increases and price increases relating to administration costs. This will be specifically detailed in branch-by-branch summaries.

The reference to the Northlands Agreement relates to the way in which our northern planning section is displayed in this year's estimates. The financial requirements of the Emergency Measures Organization are no longer being filled by this department, as the responsibility has now been taken over by the Department of Government Services.

Mr. Chairman, those are my introductory remarks.

**MR. CHAIRMAN:** I.(b) — the Member for St. George.

**MR. BILLIE URUSKI:** Thank you, Mr. Chairman. I would like to thank the Minister on behalf of my colleagues for his opening statement and his tribute to municipal councillors and staff within his department.

In dealing with his estimates today, we will likely be detailing some questions in other areas, Mr. Chairman. I would like to ask the Minister whether there are any, just in a departmental point of view, in terms of the administrative salaries, whether there are any changes in staff complement within the general administration division as a whole? We will go by, rather than on item by item, by division, general resolutions, in terms of staff changes.

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

**MR. GOURLAY:** Mr. Chairman, there is a net increase of .26 staff man years, which is reflected in the . . .

**MR. URUSKI:** In this division in administration?

**MR. GOURLAY:** Yes.

**MR. URUSKI:** Would that be primarily clerical?

**MR. GOURLAY:** This results in the half staff man year in the case of the Minister's salary, and also the Executive Assistant.

**MR. URUSKI:** Mr. Chairman, within the general administration portfolio, are there any studies to be undertaken with respect to the department in certain areas, or are there any areas of assessment which are now being handled by the Review Committee, are there any other studies that are being undertaken by the department within this area?

**MR. GOURLAY:** No, there are none others.

**MR. URUSKI:** Mr. Chairman, in terms of the urban studies, we have had a reduction of 110,000 . . . Has this study been completed and has that been made public, Mr. Chairman?

**MR. GOURLAY:** We are not aware whether this study has been completed. We have paid out our share of the costs with respect to the urban, the city of Winnipeg.

**MR. URUSKI:** Mr. Chairman, while that is the provincial share, does the Minister know whether the study has been completed? Since there are no further funds, I am making the assumption that the work has been completed. Is the Minister aware of whether a report or some findings have been made public by the amount of money that the department had transferred to the city of Winnipeg. I presume that those funds were transferred to the city of Winnipeg. Is that correct?

**MR. GOURLAY:** Mr. Chairman, that is correct. The funds have been transferred to the city of Winnipeg. We are not aware at this point in time whether the city has completed this report.

**MR. SPEAKER:** The Member for Seven Oaks.

**MR. SAUL MILLER:** Mr. Chairman, with regard to this particular question that has been asked, it was a three-year payment, I believe. It was a payment running over three years for the Winnipeg development plan, and although the project, or the funding, may be completed, I'm wondering when and how the province will be getting a report on it, and whether that report will be made public. As I recall, I believe it was three levels of government were involved and Manitoba's commitment was about 300,000, of which this is obviously the tail end. I'm wondering though, when we might get the results of that particular study.

**MR. CHAIRMAN:** I'm just wondering if we should pass (b), (c) and get to (d). That's the item that this is really involved with, if it meets the approval of the committee.

The Member for St. George.

**MR. URUSKI:** Mr. Chairman, we could go on a general discussion. What I had in mind as well, besides the urban studies, Mr. Chairman, was the area that there have been some discussions and some matters raised in the media and in the House, Mr. Chairman, and I've raised it on a number of occasions, dealing with whether there was any work to be contemplated, whether the Minister intends to make changes in legislation dealing with conflict of interest.

Mr. Chairman, there have been reports of councillors and reeves and allegations being made, backwards and forwards in terms of land transactions, in terms of violations of trust, whether or not the Minister is considering changes in the conflict of interest, or whether the Minister has thought of another area where, in dealing with problems and complaints against municipalities which are a creature of the provincial government, in possibly establishing an office of an Ombudsman

dealing with problems residents may have dealing with municipal councils.

Those two areas could be handled, while they are separate suggestions, they no doubt deal with some of the basic problems that have been raised of involvement of councillors, not only councillors but also of staff within councils who have alleged to have taken unfair advantage of the system in terms of having property transfers approved and things of that nature.

Has the Minister made any investigations, has his department investigated some of the allegations that have been raised, what kind of complaints, additional complaints that have not been highlighted in the press has the Minister received in terms of matters such as those that have been highlighted, and whether or not there is an intent on behalf of the government to bring in conflict of interest legislation.

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

**MR. GOURLAY:** Mr. Chairman, with respect to the conflict of interest issues that have surfaced recently, these have been referred to the Law Reform Commission for their study, and we are currently awaiting the recommendations from this commission.

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

**MR. McBRYDE:** Mr. Chairman, what are the present internal policies and internal practices, let's say when one particular councillor writes to the Minister and says, such and such happened at our council meeting, and I think there's something wrong with this because we approved a transfer of land and now we've found that the land has been sold to one of them, or changing of zoning or something, we've found that one of the councillors has now purchased that land, etc. What is your normal routine procedure, how do you deal with those kind of complaints from a citizen or from a councillor?

**MR. GOURLAY:** We advise the party that he could take it through the court procedure. We wouldn't rule on that in the department.

**MR. McBRYDE:** So if an individual citizen has a concern that something might not have been done according to the law in terms of conflict of interest in terms of people using their position to their own advantage, but if a councillor has that kind of concern, they have to take it, there's no investigation done by the Minister or any of his staff, it's up to the individual who has that concern. I guess in most cases they wouldn't be directly affected, they'd just wonder, isn't there something wrong here? They're the only people that can take it forward. Is that correct?

**MR. GOURLAY:** Mr. Chairman, we would point out the information in the statutes, but it would be up to the individual to pursue the case by way of court action.

**MR. McBRYDE:** Mr. Chairman, what is the Minister's opinion on that? Does he think that is the best way to handle it?

**MR. GOURLAY:** I would have to say that I think this procedure is probably the appropriate way to handle it.

**MR. McBRYDE:** I guess I'm a little surprised at the Minister's answers on this one, because the concerns that we would get as members of the Legislature would come from an individual citizen who said, you know, I heard such and such happened at council meeting, and I see now that this person has acquired certain land and seems to be benefiting from it. They have no, sort of, further interest except as a citizen saying, is everything being done legally, is everything being done properly by my council? Or is there something wrong? And even in that sort of a case, the Minister would just reply back to the person and say, well, if you think something has been run wrong, you have to take it to court?

**MR. GOURLAY:** Mr. Chairman, I would see that local councils could become bogged down in doing nothing else but investigating these types of concerns and problems, and I would think that the best course of action would be for the people that have a concern to get legal advice, and if they feel they have substance for further investigations, they can proceed through the courts.

**MR. McBRYDE:** Mr. Chairperson, is this one of the things that the Minister has now asked the Law Reform Commission to look at? Does he feel it is time to change this provision, or is he quite satisfied with the way it is operating at present?

**MR. GOURLAY:** Mr. Chairman, the whole question of conflict of interest, which covers many areas, as you can well imagine, has been referred to the Law Reform Commission, and this what we are waiting for, some recommendations.

**MR. McBRYDE:** Mr. Chairperson, there is a kind of situation that . . . I don't see it as a conflict of interest in the legal sense of the definition of the term, but let's say, for example, the mayor or a community was heavily involved in community activities and heavily involved in the NorMan Regional Development Corporation, which was preparing certain information, certain documentations, preparing a case for satellite television reception or cable television reception, and the mayor then used the information that he gained because he was the mayor and a member of the NorMan Regional Development Corporation to jump in and start up the business that the NorMan Corporation was looking at the feasibility of.

This isn't illegal; I don't think there is a conflict of interest in the legal sense there. But I know that the councillors were very concerned. They just didn't feel that this was somehow right and the councillors themselves were upset with that type of development.

I wonder if the Minister would care to comment on that kind of a situation.

**MR. GOURLAY:** Mr. Chairman, I think then it would be up to members of council, if they had some concerns with respect to the performance of any member of their council, including the mayor, that

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they should probably seek legal advice on the question.

**MR. McBRYDE:** So again, Mr. Chairman, it is the Minister's opinion, or the Minister of Municipal Affairs for Manitoba, that it would be up to an individual councillor to get legal advice and take legal action? That would be the only option open to them for dealing with that concern?

**MR. GOURLAY:** This could be up to the whole council, or if there was an individual council member who had some concerns he wanted to raise and support from council, I would think that it would be reasonable for that council to seek legal advice on that matter.

**MR. McBRYDE:** Is there any other option open? In this case, I think, it was the rest of the council that was upset with the mayor. Are there any other options open to them?

**MR. GOURLAY:** It could be referred to the municipal solicitor, but other than that, I don't know of any other avenues open.

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

**MR. URUSKI:** Thank you, Mr. Chairman. The Minister indicated that the area of conflict of interest had been referred to the Law Reform Commission. The Member for The Pas raised the type of an issue that is involved that may not directly be deemed or described as conflict but could be described as unethical, but not a matter of conflict.

I raise this matter with the Minister, and the Minister well knows that in many municipalities and villages, the chief officer being the mayor or the reeve, tends to be the strongman on council and really dominates the entire council, and lo and behold anyone who steps out of line in terms of differing — (Interjection)— Well, Mr. Chairman, in differing of opinion with the mayor or reeve and it is unlikely that council would want to ask for a legal opinion in cases where there may be citizens who feel that they have been not treated properly, or mistreated, in terms of requests and priorities of council. I would hope that the Minister, while the conflict of interest matter may be referred to the Law Reform Commission, whether or not he should consider either, as my colleague mentioned, an ethics committee within the province of Manitoba, dealing with municipal problems, or even in the case of a municipal ombudsman who would be prepared to investigate citizen complaints, and heaven only knows there are many of them.

I am sure that the Minister, in his short time in office, can count on his fingers and his toes the number of complaints and allegations, some of which he cannot even attempt to find enough people to investigate and even attempt to look at, whether or not legislation — and I believe it would have to be by legislation — either empowering the provincial ombudsman . . . We know that if a citizen is aggrieved by any provincial department, by staff within departments, and if a citizen feels that he has been wrongly dealt with, he has the opportunity of: (1) going to his MLA; and if the MLA can't get

through the Minister involved, then there is still the recourse of dealing and investigating further through the ombudsman, or going directly through the ombudsman. There have been many cases where the ombudsman has been able to, through his investigative team, uncover points which would not be open and evident to many MLAs because of some of the special training that the staff may have, and wrongs, or at least adjudged wrongs, have been able to be righted and bureaucracy's head has been able to be turned in some of the complaints.

The Minister, I believe, should consider, without hanging his hat directly on the issue of conflict of interest, which I think is probably a much more difficult situation to deal with than dealing with the problem of citizen complaints against councils. Not only councils, Mr. Chairman. You could have a local government ombudsman to deal with complaints against school divisions, because there are those kinds of complaints. You have complaints against veterinary district boards, of which councillors sit on and are, in effect, municipal government. You have all the different municipal boards which encompass a large number of elected and appointed officials throughout the province of Manitoba and many problems which arise from them.

The Minister should seriously give consideration and bring forward legislation dealing with this one item. I have a feeling, Mr. Chairman, that if the government may be reluctant to deal with the conflict of interest issue, that in large measure — and I am speculating — in large measure, that if councillors and elected officials rurally, as they are provincially, knew that there was someone, that citizens would not have to take legal action, go to court, hire a lawyer — you know, rural citizens are not generally disposed to going to those means of trying to resolve a matter of trying to go to court. But if they certainly had an ombudsman like they do in terms of the rest of the government of Manitoba, they might be inclined to go and raise their concerns and councillors would be able to and would deal with their citizens sometimes more judiciously than many of them are accused of not doing today, because there have been accusations and of course there will continue to be those accusations, some of which may be legitimate and some of which may not. But right now, there is no one to really act on their behalf.

We have the Minister who really has to almost sit on the fence. He is responsible to councils because of the legislation that he has under him and councils have been created by the legislation which the Minister governs, and on the other hand he has the citizenry of the province of Manitoba complaining about a council that the Minister in effect has created, and he is in a bit of a dilemma in terms of trying to deal with, as fairly as possible. It is very difficult for the Minister to wear two hats in effect, one of trying to deal with the complaints of citizenry and then of an investigative role investigating the very councils that he has created.

I think, Mr. Chairman, it would certainly, I believe, open up a much more free dialogue and relationship between citizenry and their councils and I think there would be a lot more dialogue created as a result of somebody or one individual even. I don't think it would take a massive bureaucracy to deal with the

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situation, but I think even one individual or an amendment to allow the provincial ombudsman to deal with the situation would likely at least be able to put in perspective some of the citizens' complaints and say, look, you've got a complaint, put it down in writing and let it go to the ombudsman and let it be investigated and see whether it could be dealt with.

**MR. GOURLAY:** Mr. Chairman, the member brings up some interesting situations and some current issues that have surfaced quite a bit in the last several months. I might point out that I understand that this whole issue of an ombudsman was discussed with the municipal associations some two or three years ago and the union of Manitoba municipalities were not in favour of this proposal. The urban association have discussed it and have not really, to my knowledge, made a firm decision one way or another on it. However, I think that the whole question is of sufficient interest and concerns many people at the present time that I would be quite pleased to maybe go back to the associations and have further discussions with respect to the suggestions of a municipal ombudsman, or as you say, changing the legislation to enable the provincial ombudsman to look at municipal issues.

**MR. URUSKI:** Mr. Chairman, I hope that the Minister will not hinge his decision on the basis of what the associations totally and what the associations, both the urban and the union, really have to say. There is no doubt that discussion should take place and there should be a dialogue. I would think that union members themselves — at certain times there have been clouds of suspicion raised over some of their members, some of the secretary-treasurers would not want to have any of these clouds hang over their head. And right now there is no mechanism other than going to the citizen to go to court and say, here is the issue and let a judge decide — what can be considered a very cumbersome, expensive, and not only that it's, I would say in terms of rural Manitoba, very much unlike rural Manitoba to go the route of attempting to come into Winnipig, or to Dauphin, or to Brandon, wherever there are districts of court to lay a complaint and hire a lawyer and deal with those kinds of matters.

That hasn't been, sort of the history of rural Manitoba to go and we know that there's been very — I don't believe very many cases pursued, although departmental people have felt from time to time, on the basis of complaints . . . I think the Minister himself would have received advice that opinions at least within the Department would have been that that individual or that group of people have a valid complaint but the law is such that he has to take it to court and we really can't do very much more. I would think historically — I think the people in the department will say that historically it used to be that if a complaint came in the Department of Municipal Affairs would gently and persuasively go to council and say, come on boys, shape up or ship out kind of thing, in a very gentle and quiet way and that would have settled the situation in many instances.

But fortunately, Mr. Chairman, times have changed and attitudes and roles have changed and this is no longer the case, not only in Manitoba but anywhere

in this country, that that kind of persuasive action can be dealt or at least deemed to be appropriate or to solve the situations, because no longer will councils and councillors be browbeaten or at least attempted to be coerced into some certain position. They say that if that individual has a legitimate beef, let him act by the law. But those kinds of things and problems occur also within councils and many councillors feel frustrated that they are unable to deal with it. So it's both from within and without council that the situations crop up and I would hope that the Minister could quickly — I mean he's dealing with — he'll be dealing with it very shortly in his June meetings coming up with the regional meetings of the Union of Manitoba Municipalities.

One thing that he might want to raise during the questions and raise the points that have been raised on some of the issues that have been raised publicly, recently, with property dealings and other allegations and I'm sure the department will have many examples that he can use, and just feel out the representatives of councils very quickly, and be able to, I would think, Mr. Chairman, if the Minister decided to deal with this matter in a very judicious and quick manner, he could probably deal with this before the end of the Session, Mr. Chairman; get some feelings from the councillors; state his concerns. I think it would take a lot of the heat, I can say, off the Minister in many of the cases that he as to face and that come to his desk, that he by the way the legislation is now, is unable to cope with, and just cannot handle. While he may be as sympathetic as he wants, he's unable to handle it.

I didn't have much experience, Mr. Chairman, within that department; unfortunately an election took its toll. However, I can certainly sympathize with some of the situations that the Minister has been faced with, and I would hope that if he decides, as a matter of government policy, and brings forward to his colleagues — I would like to hear some of his colleagues who have been on municipal council — the Member for Emerson for one, I am sure, wouldn't object to an Ombudsman dealing with municipal problems and the like, that he could deal with it very quickly.

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

**MR. ALBERT DRIEDGER:** Thank you, Mr. Chairman. I think the Member for St. George is actually overplaying this to some degree. Having participated at the Union of Manitoba Municipal convention a few times, I would think that by far the biggest percentage of the people are very dedicated to their public positions. If it was a matter of concern, I also know that they are not shy people. They would have brought it up, and if they felt the need for, let's say, a municipal ombudsman to cover some of these things, then I'm sure it would have been brought up time and time again. It seems the suggestion is totally out of line and that the Minister could possibly bring it up, but I feel that the people that are involved there are very responsible people and I think they are much more conscientious about the conflict of interest in most cases and other items than maybe the member gives him credit for.

The other thing is, of course, that any councillor, reeve, whatever the case may be, mayor, if he does

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not conduct himself in a proper manner and there is doubt cast on his actions, people always have the recourse of election, every three years. And that's a safeguard by itself. The same thing with the Member for St. George, if he would conduct himself in this House in such a manner that was not acceptable and doubtful, the people in the next election could boot him out.

So I think possibly the Member for St. George is a little over-exaggerating the area of the credibility of the people that serve on municipal councils.

**MR. URUSKI:** Thank you, Mr. Chairman. I hope that the Minister, himself, can indicate to members of this committee whether he has been, in his time in office, been faced with many complaints and problems of the kind that the Member for Emerson indicates that I have overstated, and matters that come to his attention. I, certainly as one member, don't dispute the integrity of any member of council. In fact, I regard their integrity and their loyalty to their position very highly, Mr. Chairman. Otherwise, I would have not been in a position of dealing with them as Minister of Municipal Affairs. Nevertheless, we, as members of the Legislature, I believe are also treated and respected highly within the province of Manitoba, the integrity of whom, by the citizenry, is, I believe held in high esteem. We do, we have decided, as a Legislature, as a province, to bring in the legislation of ombudsman, and so have many other provinces across this country, and I believe, virtually all provinces now have a provincial ombudsman to deal with complaints against the bureaucracy of the province.

While the bureaucracy of municipal government, it can be argued, is very small, Mr. Chairman, nevertheless it affects every-day actions and every-day dealings in the lives of the citizenry in the rural and urban areas, and certainly — while any councillor might be as dedicated and certainly as honest as one can be, he certainly can get himself into position where there may be just a misunderstanding between himself and his constituent, and what normally then happens? Tempers flare, positions become very rigid, and an impasse occurs. An impasse occurs, and no matter how legitimate the complainant might be, once those rigid positions become fixed, there is no way to deal with the matter other than by matters of court, by the way the legislation is written.

We have other ways, Mr. Chairman. If I, as an MLA do not represent the interests of my constituents in maybe dealing with the problem, and I argue against the constituent right now, that I say, you haven't got a case, no matter what, I'm not dealing with it. I could be as foolish as saying, you may be of Conservative stripe or some other political belief and I'm not going to deal with you, well there is another way of dealing with it. That individual will either go to you, to other members of the Legislature, or he will go to the Ombudsman, and he will be able to deal with the complaint. And certainly that avenue is open to any citizen of Manitoba.

But it's really not open to people in dealing with municipal government. I believe that if one was to sit down with municipal leaders and municipal councillors — and we have dealt with it in some way in terms of the planning legislation, in terms of

setting up the district boards, in terms of dealing with problems of property dealings; we have tried to take away some of this conflict by setting up the planning districts, to take away the pressures that are put on councillors and the conflict that may arise between citizens and their councils by setting up a more objective board, by dealing with a larger area, and we have moved in that way by setting up the district board.

In a sense, it may not be considered as an ombudsman, but it certainly takes the heat and the pressure off the local council if there is a complaint and a dissatisfaction with the dealings. So it does go through what one could consider a more objective body that has the interest of the district at heart. And in this case here, one could have the district of the entire province at heart in terms of the ombudsman, Mr. Chairman.

And I would hope that we would not solely rely on the election process of three years, because we know that while it has a clear-cut result in terms of elections, maybe, nevertheless, there may be many legitimate problems that people may have, and will not be dealt with, with all due respect to the Member for Emerson, by an election. There can be a change, and the problem could be as legitimate as ever. The problem will exist, and it is a legitimate problem that should be dealt with, but if there is this separation of views, it may not be dealt with, Mr. Chairman. I think councillors, I think the Minister himself could indicate that he may be able to, I'm sure in his discussions and persuasive abilities, should be able to bring about some forward thinking in this respect.

**MR. DRIEDGER:** Thank you, Mr. Chairman. I think that the Member for St. George is under-rating the rural people. Having served as Reeve for the RM of Hanover for a number of years, I found I had no problem at all. If there was any concerns that people had, either with the conduct of council, myself or any of the business that was undertaken, they had no hesitation or reservations about questioning it, and if it was to the point where it was something quite flagrant, they would have no reservations about taking whatever course of action had to be taken, whether it was conflict of interest or any other conduct.

The question that I have to the Minister is, is the role of the provincial ombudsman not available to the municipal people if they have a problem regarding council? It was my impression that the provincial ombudsman, you can go to with any problem.

**MR. GOURLAY:** Mr. Chairman, as I understand it, the complaints that could evolve from municipal activities would not be dealt with by the provincial ombudsman. It is not covered under the legislation.

Just to comment briefly with respect to the comments from the Member for St. George, I would like to indicate that I am planning on attending the June meetings of the Union of Manitoba Municipalities and, for sure, one of the items that I plan on discussing with my address, and hope to get some feedback from the membership at these meetings, will be the issue of conflict of interest and some of the recommendations or concerns that these people may have certainly will be taken into

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consideration. However, I think that the suggestion has some merit and is an area that I want to give considerable — I want to review that further and would certainly be interested in listening to the comments from the Union of Manitoba Municipalities' representatives.

**MR. CHAIRMAN:** 1.(b)—pass; 1.(c)—pass; 1.(d) — the Member for Seven Oaks.

**MR. MILLER:** Mr. Chairman, I asked a question previously and you ruled that it should be under this line. The payments to the joint study have been completed, have been paid out. Then has the Minister got a report; does he not intend to ask for one; and will that report then be made available?

**MR. GOURLAY:** The money has all been paid out. The report has not as yet come forward. The Minister responsible for Urban Affairs will deal directly with that matter and I understand that he is in the process of requesting this report, when it will be completed, if it hasn't already been completed.

**MR. MILLER:** One more question. Since there will be, as a result of the recent announcement by the federal government, there will be some activities in the city of Winnipeg on redevelopment, will that fall under the Urban Affairs Department or will it fall under Municipal Affairs Department?

**MR. GOURLAY:** That item would fall under Urban Affairs.

**MR. MILLER:** Will any staff of the Municipal Affairs Department be involved, or have to be involved, because I think the expertise is probably within the Department of Municipal Affairs, not in Urban Affairs.

**MR. GOURLAY:** Yes, that's correct, there will be staff from Municipal Affairs involved in this project.

**MR. MILLER:** Has the Minister been asked for any manpower, or has he been asked to assign any people to this study that has been undertaken, or has it been announced?

**MR. GOURLAY:** Not at this point.

**MR. MILLER:** Thank you, that's all.

**MR. CHAIRMAN:** 1.(d)—pass. Resolution 94, 2.(a)—pass; 2.(b)—pass — the Member for St. George.

**MR. URUSKI:** Could the Minister give us an overview of the board's activities?

**MR. GOURLAY:** I think at the onset you had asked about any changes as well in staff man years . . .

**MR. URUSKI:** Yes.

**MR. GOURLAY:** That has remained constant. The increases that are reflected in the estimates are general salary increases and inflationary costs on stationery and office supplies and so forth.

**MR. URUSKI:** Mr. Chairman, in looking at the annual reports of the Municipal Board for the last

couple of years, up until the end of December of 1979, boards held a number of hearings dealing with planning legislation. In terms of December 31, 1978, there were 35 orders issued by the board with respect to plans of subdivision, 19 of which were approved for registration, totalling 461 lots. I presume those were appeals against the approving authority.

For the year 1979, there were 72 appeals dealt with, 35 of which were allowed, 15 of which were amended. Approximately half of the orders were allowed, but there were no statements with respect to the number of lots created and the type of hearings that were handled. Could the Minister indicate whether he has information as to the number of lots created by those appeals?

**MR. GOURLAY:** Mr. Chairman, I don't have that information, but I could make it available.

**MR. URUSKI:** Mr. Chairman, with respect to the orders that were issued, can the Minister indicate whether or not there has been — I see there has been an increase in appeals — whether there has been a corresponding increase in either denials or approvals of the appeals that were handled?

**MR. GOURLAY:** We'll obtain that information and bring it forward.

**MR. URUSKI:** Will the Minister be able to bring it in this evening, or shall we leave the item now, Mr. Chairman?

**MR. GOURLAY:** Mr. Chairman, we'll endeavour to have that for this evening.

**MR. CHAIRMAN:** 2.(b)—pass. Be it resolved that there be granted to Her Majesty a sum not exceeding 259,200 for Municipal Affairs—pass.

Resolution 95, 3.(a)—pass; 3.(b)—pass; 3.(c) — the Member for Seven Oaks.

**MR. MILLER:** Mr. Chairman, these grants to municipalities in lieu of taxes, is the province still paying full grants in lieu of taxes to all municipalities, and does this include the city of Winnipeg as well, or would that be in the Urban Affairs Department?

**MR. GOURLAY:** The answer is yes to that question.

**MR. MILLER:** So there has been no change?

**MR. MILLER:** No change.

**MR. MILLER:** Mr. Chairman, there has been no change, and the province is now paying, as it started a few years ago, the full grant in lieu of all taxes, to include the city of Winnipeg as well as rural Manitoba?

**MR. GOURLAY:** Right.

**MR. CHAIRMAN:** 3.(c)—pass; 3.(d) — the Member for Ste. Rose.

**MR. A.R. (Pete) ADAM:** Just on a point of clarification, Mr. Chairman, where does the Special



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Municipal Loans Fund appear in the book? Is that still in effect, that program?

**MR. GOURLAY:** The Municipal Special Loans is administered under the Department of Labour.

**MR. MILLER:** In regard to the Urban Transit Grants, I gather that's what we're up to, 3.(d).

**MR. CHAIRMAN:** Yes, that's right.

**MR. MILLER:** I noticed an amount of 616,000 as compared to 429,000. Is that the old formula that has been on the statutes for a number of years, I think it's 3 percent or something or other of the revenues, and does that apply to Winnipeg and Flin Flon and Dauphin or is this for Thompson?

**MR. GOURLAY:** I understand the Winnipeg grants are a part of the block funding.

**MR. MILLER:** Mr. Chairman, then the 616,000 applies to other than Winnipeg transit system?

**MR. GOURLAY:** Yes, that's right.

**MR. MILLER:** If I understand correctly, the formula which applied in the past to all urban transit systems and now applies only to the rural Manitoba and the city of Winnipeg, simply gets a block fund to cover most of the former cost-sharing arrangements and that they no longer get this basic urban transit grant; that's all.

**MR. GOURLAY:** That's right.

**MR. MILLER:** Mr. Chairman, I wonder whether the Minister could now give us a breakdown of the 616,000 and whether the formula has been changed or not?

**MR. GOURLAY:** The city of Brandon receives 329,000, Thompson 63,000, and Flin Flon 43,000, and there's the . . .

**MR. MILLER:** Thompson 63,000?

**MR. GOURLAY:** I'll just go over those again. Brandon 329,000, Thompson 63,000, Flin Flon 43,000. Then there's the Brandon Handi-Transit project, 20,000, and the Brandon bus purchases of 161,000.

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

**MR. URUSKI:** Mr. Chairman, has the Urban Transit Grant formula changed at all from what it was?

**MR. GOURLAY:** No, it's basically the same formula in effect for . . .

**MR. URUSKI:** Mr. Chairman, just for clarification purposes, would the Minister know whether the formula for Brandon, Thompson, Flin Flon in terms of operating grants was basically similar to that originally that was offered to the city of Winnipeg in terms of half of their deficit — to pick up half of their deficit, or was the formula the same?

**MR. GOURLAY:** The same formula.

**MR. URUSKI:** Okay.

**MR. CHAIRMAN:** 3.(d) — the Member for Seven Oaks.

**MR. MILLER:** Mr. Chairman, I noticed the last item read out by the Minister was Brandon bus purchases. Was that for the regular transit system or is that for the Handi-Transit?

**MR. GOURLAY:** That's for the regular.

**MR. MILLER:** The province is purchasing or helping to purchase buses in the city of Brandon but has refused to do so for the city of Winnipeg.

**MR. GOURLAY:** It's all part and parcel of the block funding.

**MR. MILLER:** We're back to the block funding where the city of Winnipeg is given a lump sum of money and they are required to spend it on everything under the sun, but in the case of Brandon and other places there are specific grants for transit which are cost shared by the province. In other words, Winnipeg and the other cities in Manitoba are being treated quite differently.

**MR. GOURLAY:** They're treated differently in the situation that Winnipeg receives block funding to spend the money as they see fit, where we participate on specific areas.

**MR. MILLER:** Okay.

**MR. CHAIRMAN:** 3.(d)—pass. Resolve that there be granted to Her Majesty a sum not exceeding 16,910,400 for Municipal Affairs—pass.

Resolution 96, 4.(a)—pass — the Member for St. George.

**MR. URUSKI:** Mr. Chairman, I didn't — I'm sorry, just to take you back briefly to 3., the Minister didn't indicate any change in staff. If there is no change, no problem, and if he would — in that branch.

**MR. GOURLAY:** That's correct. There was no change, so I didn't.

**MR. URUSKI:** Fine, and now in Municipal Assessments, Mr. Chairman.

**MR. GOURLAY:** Mr. Chairman, there's no change there. It's the same as last year.

**MR. URUSKI:** Could the Minister give us an indication of where we are with the — whether we're making any progress in terms of catch-up or where we are with respect to assessments and the program within the province, Mr. Chairman?

**MR. GOURLAY:** No, there is no catch-up. We are running two or three years behind the five-year, and that's been the case — eight years. That's been the case now for some time. We are trying to not get any further behind but we are also waiting for the assessment review recommendations to come forward.

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**MR. URUSKI:** Mr. Chairman, has the department determined whether the problem of being behind is strictly a problem of numbers of bodies in terms of doing the work, or is it one that really can't be accomplished strictly by numbers of bodies in terms of doing the work? Is it just a logistical problem that has to take its course in terms of how much information can be fed into the system?

**MR. GOURLAY:** The whole system, we expect, will have to be revised in order to maintain the five-year reassessment or whatever, but not necessarily having to increase the number of bodies to do the work.

**MR. URUSKI:** Could the Minister indicate, when he talks about the whole system, if I recall correctly, there have been some modifications to the system in terms of the computer facility, in terms of the inputs into the system? What further changes, and I know there's always ongoing changes that have to be made, but is the Minister talking about basic fundamental changes in the entire data within the bank or the way the data is handled in terms of the program?

**MR. GOURLAY:** Yes, I would say that the way the data is handled through computers and the like would probably reduce the number of bodies in that respect and so the total number of staff man years may not necessarily increase but the general system would increase dramatically, or change dramatically.

**MR. URUSKI:** How much work is now going on to redo the system in terms of necessary expenditures? What is really required in terms of the way — what are we talking about in terms of time and projected dollars? There must be some estimates within the department as to what it would take to redo the program to meet the needs that are perceived by staff and/or does that hinge at all on the outcome of the hearings and how the government intends to deal with the whole assessment process? Does that outcome — will that have a — may have a major fundamental way in the way program will be administered and what direction the department takes?

**MR. GOURLAY:** Mr. Chairman, that is correct. The system basically is at a standstill at this point awaiting the recommendations, so we'll have a better idea as to the direction that the changeover would go.

**MR. URUSKI:** Mr. Chairman, in terms of the way the system will go, certainly there must be some thinking then within the department in terms of how the system then should go, and have there been recommendations made to the Minister in terms of what the department feels the system should go and what the costs of the programs would be?

**MR. GOURLAY:** Looking at it from the aspect of being computerized, it would put us in the position where we could bring current values in line more quickly than the old system has been able to do.

**MR. URUSKI:** Mr. Chairman, in dealing with assessments, and I'm not sure that there's been a

great misunderstanding, or at least almost an unwillingness not only, I believe, in the minds of many rural councillors and even I think — I'm speaking for myself as a former Minister — of understanding and wanting to understand the formula that is used in terms of determining the assessment process. Now maybe I'll be putting the Minister on a spot, can he or his departmental officials at least give us an indication of how the process is undertaken to determine what goes in presently to the system that is now in place in terms of determining the values for assessment? How is that formula — and is there a formula that is basic throughout the system? If there is a basic formula, how does it apply?

**MR. GOURLAY:** No single formula can be applied to all the various categories of assessment.

**MR. URUSKI:** Mr. Chairman, let's take then whether there is a single formula for residential development in terms of houses within say rural Manitoba, is there a formula to deal with residences in rural communities and farms and the like?

**MR. GOURLAY:** Well with the case of . . .

**MR. URUSKI:** Let's deal with one. Maybe I will learn some knowledge that I didn't have . . .

**MR. GOURLAY:** With respect to residential assessment, it's based on construction costs, based on 1975 levels.

**MR. URUSKI:** Yes, okay, but that still doesn't give one, if one takes a 1975 cost, doesn't give you what the assessment is. That must be related to some formula that is set out. Is it one-third of the value, or what is it generally? How is it handled, imputed in terms of the cost? If one knows the construction costs of 1975, what then, Mr. Chairman? Can the Minister . . .

**MR. GOURLAY:** It's based on 20 percent of 1975 building costs.

**MR. URUSKI:** 20 percent — on rural residential, in terms of housing?

**MR. GOURLAY:** On rural residential.

**MR. URUSKI:** Does that formula carry through to residential development within urban centres?

**MR. GOURLAY:** Yes.

**MR. URUSKI:** Is there a different formula for — for example, farm buildings aren't taxed. I believe the program is to assess all farm buildings and put all buildings on the rolls. In determining the values of those buildings, is the formula the same; basically the same of taking 20 percent of 1975? Is there a different formula dealing with farm buildings?

**MR. GOURLAY:** Yes, as you are probably aware, farm residences are being assessed where there is reassessment occurring, and the same formula would apply to those farm residences as for rural urban residences.

**MR. URUSKI:** I understand that, Mr. Chairman. I would think that's the only way one would be able to get the data on file to be able to know what shifts and what things will happen if there be a change in policy dealing with municipal taxation, whether it be urban or rural, and what shifts would take place; unless you have the figures on file, you will not know what will occur in the system if you don't have the base data.

The question that I raised was: Is there a different formula dealing with farm buildings, Mr. Chairman, in terms of establishing their assessed value? Is it also 20 percent on 1975 costs?

**MR. GOURLAY:** The depreciation would be taken into account on farm buildings in this respect.

I could respond further, Mr. Chairman, that farm buildings that have been up for many years and in many cases are obsolete structures that are still there, would be more or less written off, they wouldn't show on the assessment rolls.

**MR. URUSKI:** Mr. Chairman, I presume that homes as well, which would be of an older vintage, would have a depreciation factor built into the value that is established and likewise, but the formula, and the Minister didn't indicate whether that is same formula of 20 percent basically used to also establish the value of farm buildings. Is that correct or does it differ somewhat?

**MR. GOURLAY:** Mr. Chairman, that is correct, less depreciation.

**MR. URUSKI:** Mr. Chairman, does that then differ somewhat from how the values on homes is established? Because I am not sure whether the Minister is making some distinction there using that formula of buildings versus homes. Mr. Chairman, I am not arguing whether it is right or wrong, I just want to understand better the formula and the system that is used.

**MR. GOURLAY:** Rural residences would be assessed on the basis of 20 percent of 1975 values, but also taken into account would be depreciation, depending on the vintage of the residence.

**MR. URUSKI:** Then it would be basically the same as farm buildings as well?

**MR. GOURLAY:** That is right.

**MR. URUSKI:** Mr. Chairman, with respect then to — there is, I gather, primarily one more category of building would be the commercial or the commercial buildings would be put into different categories, whether they be recreational and/or other commercial, or do they generally take the description of commercial and use a formula of their own.

**MR. GOURLAY:** With respect to commercial buildings, basically the same formula would apply. Older commercial buildings would be depreciated and their assessment would be reflected accordingly.

**MR. URUSKI:** Mr. Chairman, in cases where the use of the commercial establishment is for only a part year — and the reference I am making is, there

are many, for example, resorts that have cabins and camping spots, and may have washrooms and the like and facilities, whether they would be treated somewhat differently than, for example, say a hotel or a motel within the community would be basically operating year-round versus the operations from say May until October in the summer recreational type of business, commercial establishment?

**MR. GOURLAY:** Mr. Chairman, with respect to part-time use, so to speak, of certain types of commercial buildings, and the example used is a motel or hotel in a resort area, the business tax would be based on the rental charge over the year, and the assessment would be based accordingly to that.

**MR. URUSKI:** Business tax, Mr. Chairman, could the Minister — am I reading him correctly that the business tax would be based on the rental value of the commercial establishment on a year-round basis and, of course, it would be prorated on the number of months that the business would likely operate in that year, and that is how the assessment would be established? Is that basically . . .

**MR. GOURLAY:** Basically, yes, it would be prorated on the number of months it was operating during the year.

**MR. URUSKI:** The formula still would be basically the same in terms of using 1975 as the base year, taking 20 percent and establishing a rental value from that?

**MR. GOURLAY:** That is correct.

**MR. URUSKI:** Thank you, Mr. Chairman. Could the Minister indicate where the costs of the hearing dealing with municipal assessments would be shown in his estimates?

**MR. GOURLAY:** That comes under the Department of Finance.

**MR. URUSKI:** I see. Mr. Chairman, to whom does this Review Committee report?

**MR. GOURLAY:** It reports to the Minister of Municipal Affairs.

**MR. URUSKI:** Mr. Chairman, has there been an interim report from the Committee dealing with the number of presentations that have been made to the Committee up to this time?

**MR. GOURLAY:** Yes, I have received it.

**MR. URUSKI:** Mr. Chairman, would the Minister care to give us a report.

**MR. GOURLAY:** At the present time I have not been able to deal with that report in Cabinet. There is some legislation will be coming forward dealing with the recommendations in the interim report, and those will be tabled just as soon as possible, and there will be ample time and provision made to discuss and debate those recommendations and legislation at that time.

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**MR. URUSKI:** Mr. Chairman, since the Minister has received an interim report, is it possible that he would see fit to make that report public prior to the tabling of his legislation so that members and the public could digest the interim recommendations and be somewhat more prepared if there is legislation going to come on the heels of these recommendations, prior to the hearings being completed, that members and the public at large would be able to at least digest the nature of the submissions that were made and the recommendations flowing therefrom by the Committee. Because it appears that the Committee will be sitting, I think, several meetings this month yet are planned by the Review Committee, but there will be interim changes. Is the Minister indicating as well whether the changes that he is intending to make flow directly as a result of the recommendations made in this interim report?

**MR. GOURLAY:** The legislation that is being drafted at the present time relates directly to the recommendations that are contained in the interim report.

**MR. URUSKI:** Mr. Chairman, would these recommendations that the Minister intends to bring in legislation have a direct impact on his department in terms of the program that it should be developing and putting forward, and will there be cost implications faced by the department that are not now shown in his estimates in terms of changing the terms of the program or administration within the department? If they do, Mr. Chairman, what provisions is the Minister making in these estimates to deal with those changes?

**MR. GOURLAY:** Mr. Chairman, there would be no cost implications involved.

**MR. URUSKI:** Mr. Chairman, would there be program changes that would have to take place?

**MR. GOURLAY:** Mr. Chairman, we don't anticipate any program changes.

**MR. URUSKI:** Mr. Chairman, the Minister didn't answer my question with respect to making public and making available to members here in this Committee and outside the House the interim report that he has received. When can we expect release of that report — prior to his legislation? I would anticipate, Mr. Chairman, that estimates in the Chamber here likely within the next several weeks, two weeks or so, would be complete, and then the next logical move would be traditionally Speedup, and then you are probably talking maybe two weeks, three weeks beyond that point, and the windup, Mr. Chairman. That being the case, with an interim report and legislation, will not give municipal people, rural residents, members of the Legislature, very much time to look at the rules or recommendations and be able to formulate comments and questions relating to the legislation that the Minister hopes to table.

I would hope that he would be prepared, even though the report is interim, to table the report for public discussion, rather than hold the report, as it

appears he is now doing, get government position, and he may get himself into a position where he may be faced with commentary that he doesn't know about now and have a fixed position before the Legislature which he may want to after amend. This way here, he would be in a much better position if he made the report public. It is a committee report. We all realize the government is not bound as we see from time to time in terms of studies taken, bound 100 percent by the recommendations of the committee, but it is open for discussion. Flowing from that, the government may want to amend or change its legislation that it is proposing, based on public commentary that may come from the union. He is having meetings with the union, and the urban association and other representatives at large, the public at large.

I urge the Minister to release that report so that he doesn't get himself into a position of coming in with something, a fait accompli, and having a barrage thrown at him and not having had any public input as a follow-up to that report in which he has started, I believe, in the right direction, by having this committee review and hear submissions, but so he doesn't close himself off to discussion after those interim recommendations were made.

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

**MR. ADAM:** Thank you. I want to support the comments made by the Member for St. George on that very point. I find it odd, or perhaps astounding even, that we have a committee holding public hearings throughout the province, financed with public funds, and interim recommendations have been presented to the Minister sufficient enough to have the Minister put legislation in place, or he indicated that he plans to introduce legislation based on the recommendations that he has received, and I find this very very — some concern that I would have that the Minister is able to do this in Cabinet, by themselves, without having the input, as the Member for St. George indicates, of the discussion that would take place if a report is tabled.

**MR. CHAIRMAN:** The time is 4:30 and as you are aware our Minister is the first one I will let speak on this Resolution. This clock still is slow, so I will be leaving the Chair to return at 8:00 o'clock.

## SUPPLY — EDUCATION

**MR. CHAIRMAN, Abe Kovnats (Radisson):** This committee will come to order. I would direct the honourable members' attention to page 39 of the Main Estimates, Department of Education, Resolution No. 52, Clause 3, Financial Support — Public Schools, Item (a) School Grants and Other Assistance — pass — the Honourable Member for Rossmere.

**MR. SCHROEDER:** Thank you, Mr. Chairman. I noticed an article in the paper recently on Tuesday, June 3rd, indicating that one of the capital expenditures expected in the city in the near future is an addition of 5,775 square feet to the St. Johns Ravenscourt School at 400 South Drive. I am

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wondering whether the Department of Education provides any funding to that school.

**MR. CHAIRMAN:** Order please. I would hope that the honourable member would direct his questions under the item that it would fall under which I would consider to be Item 7, which would be Acquisition/Construction of Physical Assets. The Honourable Member for Rossmere.

**MR. SCHROEDER:** Well, Mr. Chairman, my understanding is that the only item in these estimates dealing with aid to private schools is under this particular section and if there is funding under the section the Chairman has just referred to for buildings for private schools, I would be happy to have the Minister so state.

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

**MR. COSENS:** Mr. Chairman, there is no provision anywhere in my estimates for capital funding of private institutions.

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

**MR. WALDING:** Mr. Chairman, as I heard my colleague from Rossmere ask the question, the Minister answered a different question. My colleague from Rossmere asked whether a particular school was in receipt of funds under this section. The Minister hasn't answered that.

**MR. COSENS:** My understanding was that the Honourable Member for Rossmere referred to some school addition at a particular private school or some particular school building at a private school, and my answer to the question was that there is no provision for any type of capital funding for private schools in this province.

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

**MR. SCHROEDER:** Yes, Mr. Chairman, we heard the Minister's answer. The question had something of a preliminary dealing with that capital construction. The question however was does his department provide any funding to St. Johns Ravenscourt School?

**MR. COSENS:** Yes, Mr. Chairman. My understanding is that that is one of the private or independent schools that does apply for government aid.

**MR. SCHROEDER:** Could the Minister advise as to when St. Johns Ravenscourt first received assistance from the province and the amounts per year since that time?

**MR. COSENS:** I believe the first date, Mr. Chairman, was the fall of 1978.

**MR. SCHROEDER:** Thank you, Mr. Chairman. Back to transportation, the Minister announced or stated several days ago that there would be funding provided to school divisions providing transportation

from one division to another for special programs such as immersion. Could the Minister advise as to whether that funding will be full funding of that type of transportation, or whether a part of it will be borne by the local division?

**MR. COSENS:** Mr. Chairman, that particular funding applies in the same way as the transportation grants that are provided for other student transportation in the province, the same level of granting.

**MR. SCHROEDER:** Thank you, Mr. Chairman. The Minister had some correspondence with the Manitoba Teachers' Society in which he referred to certain school divisions as providing luxury transportation. He did not define what he deemed to be a luxury in school transportation, so I would ask him to elaborate on that at this time.

**MR. COSENS:** Mr. Chairman, I'm not familiar with the particular correspondence that the member is making reference to. I would have to see that particular correspondence before I can respond to his question.

**MR. SCHROEDER:** Yes, Mr. Chairman, I am referring to the May edition of the Manitoba Teacher, the Resolution Supplement, and on the back page of it, there is a statement: Earlier this year, Society representatives presented to Education Minister Keith Cosens a brief with resolutions passed at the Society's 1979 annual general meeting. The following are part of the Minister's responses to some of the resolutions in the brief. Then further down it refers to transportation costs: In giving consideration to financial support for transportation of pupils, recognition must be given to the varying standards of transportation being provided by the individual school divisions in the province. Some school divisions are providing what might be considered a luxury transportation program as compared to other school divisions and it would be irresponsible on the part of the government to provide financial support in full for such programs when moneys being spent in this way could be better spent in support of education programs. While there are some problems with the current grant system, the government is nevertheless providing a level of financial support which permits school divisions to maintain an adequate pupil transportation system. That statement purports to have been made by the Minister. If he recollects having made that statement, I would certainly encourage him to inform us as to what is a luxury transportation system and who is carrying on that luxury transportation system.

**MR. COSENS:** Mr. Chairman, I have no particular recollection of that statement. Certainly there are, I would imagine, varying degrees of transportation services provided by school divisions and some are more fortunate than others in that regard and some, of course, have a greater requirement than others in that regard. The word luxurious is not familiar to me at all but I would have to examine that particular statement. I can't remember the situation or who would have been quoting me in this regard.

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**MR. SCHROEDER:** Yes, maybe we can get back to that some other time then.

Back to dealing with small schools for a minute, I believe the Minister is in receipt of a proposal from a resident of the Fort la Bosse School Division with respect to a suggestion to attempt to research possible alternative methods of education delivery in that area. The name of the individual involved is Ben Kroeker and I believe that the Minister has responded. I haven't seen a copy of the response; I don't know exactly what the response is. Could the Minister elaborate on his response.

**MR. COSENS:** Mr. Chairman, I don't have my response with me at this time. I would be quite prepared to provide the honourable member with a copy of that response.

**MR. SCHROEDER:** Thank you, Mr. Chairman. I would appreciate a copy of it, but I would also appreciate the Minister advising at this time as to the general gist of that response.

**MR. COSENS:** Mr. Chairman, I can inform the honourable member that, having considered the proposal, and again I cannot remember the exact wording but that will become obvious when I give him a copy of the letter, I recognized the fact that the gentleman in question had certainly put forth a considerable amount of effort and some research in putting together his proposal. However, in view of certain difficulties associated with the proposal, my response was that we would not be considering his specific proposal at this time.

One of the problems, of course, associated with this was that I was not aware of how much actual support for the proposal existed in the particular locality. I must inform the honourable member that I have received a number of letters and I have had communication to the extent that other residents of the same area would not favor that particular proposal.

So at the present time I can say to him that the gist of the response was that I appreciated that type of input from the individual, but that as far as our department adopting the proposal and following it through at this time, I was not prepared to do that.

**MR. SCHROEDER:** Yes, still dealing with the matter of small schools, the Minister had indicated several days ago that although the Small Schools Grant has been eliminated by his administration that, in total, the small school is better off now than it was before the elimination of that particular grant, because of other increases in funding. I am just wondering whether those increases in funding are, percentage-wise, keeping up to the inflation costs of those schools. I'm not talking about the 8 or 9 or 10 percent inflation cost of the consumer price index, but rather the sometimes 20 percent and higher inflation cost of books and the certainly more than 20 percent increase in cost of transportation, those kinds of costs. Are they being kept up with? If they are, are they proportionately? Is the small school receiving proportionately more as a result of any kind of a formula the Minister has now put in place in exchange for the old formula? Is the small school

receiving more funding proportionately than the large school?

**MR. COSENS:** Mr. Chairman, in response to the Honourable Member for Rossmere, I might point out to him at this time that the Textbook Grant, for instance, was increased some 25 percent this year, from 16 to 20 per pupil. Their per-pupil grant was increased 58 per pupil this year. I haven't worked out that percentage; I would suggest it is probably in the neighborhood of an 18 percent increase. I would imagine that that runs a little bit ahead of inflation, whether we're talking about small school or large schools.

His final question, I believe, was is there a distinction in the grants that are paid to small schools as opposed to large schools, and the answer is no.

**MR. SCHROEDER:** Mr. Chairman, in view of the Minister's previously-stated position that the learning environment and social climates found in small schools are superior to those in larger schools, and in view of the fact that there is a serious problem throughout rural Manitoba in our sparsely-populated areas, with respect to financing of small schools, and certainly the Fort la Bosse example is one which is pretty clear, would the Minister not agree that if it is his position that there is something admirable and something to be desired about retaining the small school, that at a time when it looks like the small school is in danger, this department ought to be moving toward providing funding in order that the small school can survive. It is all fine and good to stand up and make speeches about the values of that small school system. If we are not going to provide them with the extra funding which is required in order to keep them in existence, then all of our speeches don't mean a great deal.

**MR. COSENS:** I think the problem, Mr. Chairman, goes beyond the situation that the Honourable Member for Rossmere outlines. In many cases, this is not just a matter of funding, it is a matter of declining enrolment, the particular pupil services that can be offered in a very small high school, as compared to those that can be offered in a situation that has all of the other aspects of educational programming today that many people feel are essential, such as vocational shops, home ec, this type of program. So it is not just a matter of dollars, unless the honourable member is suggesting, Mr. Chairman, that regardless of the size of the school, that all of those particular facilities should be provided, whether the school has an enrolment of 60 students or 120 students, 180, 200 students, so on.

I suggest to him that that is hardly feasible, and I don't think that many parents in this province have that expectation, that any government would expect, or that they as parents would expect that the taxpayers of the province can provide the same sophisticated facility in every tiny situation that might exist in the province. I think I said to the honourable member a day or so ago, Mr. Chairman, that there are many school divisions where they are operating two, three, four-room schools, and the situation seems to be progressing quite satisfactorily there. The parents accept that in schools of this size, they

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may not have quite all of the facilities that will exist in larger centres, but they are prepared to sacrifice those for the personal contact, the community spirit of a small school, and all of those particular attributes that they perceive as being important and outweighing the advantage that they might have in a larger centre, that because of size could become more impersonal, even though it contains all of the latest and most sophisticated facilities.

So I suggest to the honourable member, a choice has to be made, and the choice is being made across the province by the local people and by their elected representatives. Certainly, we are quite prepared to attempt to provide a level of funding that will enable the system to operate and operate well, and provide a good, sound educational program for the students of this province. But when the honourable member starts to talk about small schools and infer that the government is closing, then I say, Mr. Chairman, that he is incorrect. We are not closing small schools. If they are going to be closed, and I have said earlier, as a result of declining enrolment, that is inevitable. We will probably see more closures in the next four or five years, because of the fact that there aren't enough children available to make the programs viable in those particular plants, and it will be a decision arrived at by the local school division board and the parents of the region. Where that type of program takes place, where that type of decision is made, if it is being made, whether there has been consultation; if it is made, whether there has been planning; if it has been made, whether there has been communication between the board of the particular area and the parents, then Mr. Chairman, I would suggest, that is the way that democracy operates.

But if the honourable member is saying that the government should provide moneys over and above the grants that are provided to keep small schools — and he hasn't told me how small he thinks a school should be, but to keep all schools open, in spite of any other factors that might occur, then I would be interested in how much money he thinks that the government should provide. To this point, I have not heard the argument that a school must close because of lack of money to operate the program in the division, but many other factors have come into play. He refers to the situation in Fort la Bosse. That was not the closing of a school, by the way, Mr. Chairman, but the withdrawal of the high school from a particular community. The school that existed there would remain open, K to 12.

I really suggest, Mr. Chairman, to the honourable member, that it wasn't just dollars and cents that were the consideration there, but a consideration that the program offerings were becoming more limited as a result of declining enrolment. Now, the decision had been made, and I know that the argument will always be placed in situations like this, that by consolidating and bringing people into a larger centre, there are some economies to be achieved. I think that argument was brought forward. But you see, if we carried that argument to its logical extension, Mr. Chairman, we would have no small schools in the province at all, if that argument is completely valid. And I say that the local taxpayers in many school divisions of this province have said yes, it may cost a few more dollars to keep our schools

open; or yes, it may mean that we have to do without the type of facilities found in larger centres, because we can't justify a huge gym for 50 children, or 80 children, and we can't justify the most up-to-date and modern laboratories for a high school that contains 40 students or 30 students. But having made that kind of decision, Mr. Chairman, they are quite prepared to accept that they have other advantages that they perceive by maintaining their own small plant. I think that is part of the democratic process. People make this decision and are quite satisfied with it, prepared to live with it, then I would think that it is then just a matter of communication between the board and the local people who have elected them.

**MR. SCHROEDER:** Thank you, Mr. Chairman. Just a couple of remarks. First of all, on the matter of that research proposal which the Minister rejected. He indicated that there were people who had written to oppose that proposal, and I'm just wondering whether the Minister would advise as to whether he bases his answers to these suggestions on several letters of approval or opposition. In terms of the matter of the equipment and facilities in small schools, certainly there was no suggestion on my part that the equipment and facilities in every school has to be equal to the largest school in the province. The Minister recognizes that as well when he says that the existing small schools are providing a learning environment and social climate superior to the large schools, he's accepting the proposition that there is some value in the small schools, as they exist, not necessarily with upgrading. And it comes back down to funding. The Minister can say all he wants about, well, there are a few less students in Elkhorn, the bottom line for the local school division, school trustees, when they are making their decisions, is the amount of funding that the province is prepared to pay to them. In sparsely populated areas there are some serious consequences when we have a property tax system, an education tax system as it exists today. When we started off these estimates, I quoted from a press release from Ian Turnbull before the 1977 election in which he indicated that one of the factors in a reorganized Department of Education, reorganized education finance, would be the sparsity of population, and if there was a larger burden placed on individual areas because of that factor, there would be additional funding available.

Now, I also recall during that campaign the then Premier predicting that if the Tories were elected, that the Tories would attempt, the provincial government, would attempt to look like a hero by cutting back on taxing and cutting back on spending on the backs of local governments and on the backs of school divisions, and that is exactly what has been happening under this system. The Member for Winnipeg Centre says, the people of California smartened up; they saw what happened with Proposition 13, and they defeated Proposition 9, as well they ought, and as the people of this province, I suggest, will be defeating this government as soon as it has the courage to stand up before the electorate on the basis of these kinds of failures by this government.

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**MR. CHAIRMAN:** (a)—pass — the Honourable Minister.

**MR. COSENS:** Mr. Chairman, the Honourable Member for Rossmere is campaigning, and probably has little to do directly with 3.(a), but I suggest to him that his mention of the former Minister of Education's communique on October 8th, I believe, of 1977, was it October 7th? — rather close to the provincial election that year, and perhaps would be better termed, as it has by some, as a deathbed repentance. A few days before the election, it was deemed advisable by the gentlemen opposite to utter all sorts of possibilities and intentions and so on that they hadn't bothered to accomplish in eight years. It seems odd that they would wait until a few days before an election to finally decide that some of these things are worthwhile and should be done. In fact, we have been putting many of those things into place, Mr. Chairman.

I suggest to the Honourable Member for Rossmere that a total of some 76 percent of direct and indirect funding to the schools of this province this year is the highest percentage that we have seen since 1973, and that compares rather well with anything we have seen in the last two or three years of the honourable gentlemen's term in office. So when he is moaning and complaining and saying that this government is not funding education at an adequate level, I say to him, 76 percent compares rather well, Mr. Chairman.

**MR. SCHROEDER:** To continue the campaign, I think if the Minister was to take a look back to 1969, to take a look at what had been going on in his department, in this department up until then in the 100 years that this province had existed, and then, if he was to take a look at the innovation that occurred during eight years of New Democratic Party government, —(Interjection)— under Ben, yes, the Member for Minnedosa says, under Ben. If the Member for Minnedosa would have been here the other night he would have heard my quote from the Minister's letter in 1978 to the Winnipeg School division saying that this year we do not enter into any new programs. It's as simple as that. Take a look at the vocational training programs that were set up by our government; take a look at the core area programs that were attempted by that government, and started, and strangled by that Minister; take a look at the innovations with respect to native education; take a look with respect to rural teacher training programs. My goodness. And what has happened since 1977 in this department is absolutely nothing. The Minister hasn't even had time, up until a week ago, to present a new Act to us. — (Interjection)— They haven't done anything. There has been no innovation. There has been absolutely nothing coming out of this department since this Minister was elected, and even up until a week ago, we didn't even have the new Education Act, or the new Administration Act. And when he talks about percentages, first of all, I would point out to him that — and I know he will answer, that's the way the former government calculated things. I wasn't a part of that government. The former government and this government apparently have continuously calculated education, or the amount paid into education, by

including therein a substantial number of dollars which have nothing to do with education but have to do with redistribution of income and have to do with decreases in property taxation, municipal taxation, as opposed to education tax.

The Minister is quoting the statistic of 76 percent. It seems to me that that was approximately where we were in 1977. However, in this last several years, I am sure the Minister would agree that there are a number of areas where we have been going backward, and the reason we have been going backward is at least a fear and apprehension on the part of local school divisions that they are not going to be receiving funding. He will recall that just several months ago there were delegations from school divisions coming to see him about requests for additional funding. He will recall the chairman of the Manitoba Association of School Trustees saying that the amount paid was not adequate. And he will recall that it was in those days that those school divisions were required to make their decisions as to what they were going to spend in 1980-81 and it was then that the cutbacks came in for this next year. There was an assumption that there wouldn't be an addition to the property tax or cost-of-living credits. And of course, as our finance critic has pointed out, a lot of the increases are mere flimflam because they are, in fact, when you talk about those increases, you are ignoring the fact that you are changing the base upon which they are being made.

But it was on that basis — it was on the basis that there would be no increases in that type of funding — that the cutbacks were again made this year, as they were made last year and the year before by the local divisions. Now the government prides itself on moving up a percentage point or two on a lowered quality of an educational system in the province. I would suggest that that is nothing to be proud of.

**MR. COSENS:** Mr. Chairman, in just responding to the remarks of the Honourable Member for Rossmere, I would like to just point out a number of rather significant points to him. He says, Nothing has happened, Mr. Chairman, Nothing has happened. I have heard this from the Honourable Member for Rossmere. The Honourable Member for St. Vital went a little bit further; he talked about tinkering. Oh, he said, there's been a bit of tinkering.

Well, Mr. Chairman, let's take a look at what this so-called tinkering has been. First of all, one of the things that has happened is a revision of The School Act, something that is not mere tinkering, Mr. Chairman, but a major undertaking and one that gentlemen opposite in eight years didn't see fit to tackle at all. It was considered too mammoth a task for them to really start on, although they had committees, Mr. Chairman, and they studied for eight years, I understand, that revision. They had people meeting and talking about it for eight years but didn't do it.

We did it, Mr. Chairman. That is one thing. We have completed that revision —(Interjection)— Well, that disturbs them, Mr. Chairman, that has got them going . . .

**MR. CHAIRMAN:** Order please. I would hope that while we are discussing the estimates of the Department of Education — and I have allowed a



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great deal of latitude — that we give the courtesy of one speaker standing in his place at a time and the opportunity of those who have some difficulty hearing to hear the comments without interruptions from people who have not been acknowledged to speak.

The Honourable Member for Burrows on a matter of privilege.

**MR. BEN HANUSCHAK:** Mr. Chairman, I regret to say that the Honourable Minister has deliberately mislead the House, because I am sure that he is familiar with the rules and I'm sure that he has a reasonably good memory and that he is well aware of the fact that the Public Schools Bill, to which he had referred to, and the Education Administration Bill, to which he has referred to, was only introduced for first reading and copies of it were distributed in the House. It has not as yet been introduced for second reading; it has not passed. But he speaks of the two bills as if they have passed, as if they are now law. —(Interjection)— Introduced for second reading, but they are not yet law, Mr. Chairman, but the Minister is referring to them as if they are law, that this is the great thing that this government has done, that they have passed a revised Public Schools Act, that they have done an overhaul job on The Public Schools Act and passed it.

Mr. Chairman, at this point in time, we do not know what shape or form —(Interjection)— Mr. Chairman, the Honourable Minister chirping from his seat will have an ample opportunity to speak, and that it's my right to speak now. For the benefit of the Honourable Member for Springfield, I have the floor on a matter of privilege, and the honourable member should know it.

Mr. Chairman, the bills that the Minister is referring to are not law; the House has no way of knowing of what shape or form they will be in when they do become law, but the Minister is referring to them as if they are fait accompli, as if they are law.

Thus, Mr. Chairman, the Minister is deliberately misleading the House.

**MR. CHAIRMAN:** The Honourable Minister on this point of privilege.

**MR. COSENS:** On the point of privilege, I have not referred to them as being law. I said there was a task to be done to revise the bills and we have done our part of that task. This House will complete that task, naturally. The member is attempting to split hairs and red herring the whole issue. That's fine. I know that it is some embarrassment to them but if they wish to do this sort of thing and delay the process, that's fine.

**MR. CHAIRMAN:** On the point of privilege, I don't believe that there was at any time reference made that the bills had been passed. I believe that there was reference to the bills and there has been previous reference to the bills and we have allowed it in the debate. Therefore, I would rule that the honourable member does not have a point of privilege.

The Honourable Minister.

**MR. COSENS:** Mr. Chairman, when we were interrupted I was making the point that one of the things that has happened and I consider significant, and I think a number of other people consider it rather significant, was the work that has been conducted on The School Act, The Public Schools Act, and The Education Administration Act, and a major piece of work. Gentlemen opposite, if they are going to be perfectly frank and honest, will admit that, Mr. Chairman.

However, the Member for St. Johns is disturbed. He said, Oh, you thought that last year. Yes, that's quite true and, of course, the decision was made that we would have more public input to the bills and I consider that has been a worthwhile experience. We have looked closely at that particular experience and we now have the bills before us again. As I say, a major piece of work, Mr. Chairman, and it happened in three years. It didn't take eight and, of course, even in eight, that didn't happen.

Let me suggest also, Mr. Chairman, when the Member for Rossmere says, Nothing has happened, that according to the Budget Speech of the Minister of Finance, and I refer to that, we will have a revised educational finance program by the end of this calendar year. I say to the Member for Rossmere and honourable members opposite, if that is merely tinkering, if that isn't a major piece of work, I wonder what is, because under their administration for eight years, there was no major revision at all. There was a bit of band-aiding here and there, Mr. Chairman, of The Foundation Program and the other grants. A school division came in and said, We've got a particular problem up here and the grant system isn't meeting it, so the Minister of the day said, Well, we'll take a look at that and see if we can fine a special grant for you. That sort of thing happened, which is purely band-aiding, Mr. Chairman. There was no study, no review, no attempt that I have been able to find, Mr. Chairman, and we haven't seen any evidence of one, for any particular review of the system. I suggest that is a second major initiative.

Let us look at some others, Mr. Chairman, because again, the Member for Rossmere says, Nothing has happened. Well, maybe in his view nothing has happened; maybe he's not aware of what has happened. Maybe he doesn't want to be aware of what's happened. You know, for some time the school divisions of this province have been paying a great amount of money in the form of interest because of the fact that the grants that accrue to those school divisions have not been paid through in time for them to conduct their operation without borrowing money. What has happened, Mr. Chairman, this government has finally taken some action in that regard, but it didn't take them eight years, Mr. Chairman, not at all. The action that we have taken, I am informed, will relieve school boards of close to 4 million of interest charges. That is only the first step because, I'm sure the Member for Rossmere is well aware —(Interjection)— Well, the Member for St. Johns is chirping away and I'm sure we'll hear from him in due course. He doesn't like to hear positive things and he doesn't like to hear progressive things coming from this side of the House because that's counter to his usual gloom and doom picture.

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I say to the Member for Rossmere, who says that nothing has happened, that is not viewed by the school divisions of this province as nothing, nor is the fact that this government has mentioned in the Budget Speech that we will be negotiating with the municipalities in order to speed up that cash flow of special levy moneys through to school boards in the months ahead. That is not regarded as nothing, Mr. Chairman, because those two factors were costing the school divisions of this province close to 10 million in slowness of the cash flow from the government and the cash flow formula that was followed by the municipality.

But, you know, Nothing has happened, according to the Member for Rossmere, and if he views that particular point as nothing, I reassure him that it is not regarded as nothing by the school divisions of this province, nor of the taxpayers of those school divisions.

He says, Nothing has happened, Mr. Chairman, and I refer him to some of the things that are happening in the Special Needs area and we are, in this particular area, only looking at part of that Special Needs Program. I refer him to an increase in the Special Needs Grant under 3.(a) of 100 percent, 1 million, Mr. Chairman. But I suppose again that's nothing. After all, what's a million dollars to gentlemen on that side. The Member for Elmwood, I believe it was two evenings ago, talked about a paltry 7 million; so if 7 million is paltry, I am sure that the Member for Rossmere probably regards 1 million as even more paltry.

I suggest that it is concrete evidence of the fact that this government is moving towards the support of increased services and programming in the Special Needs area, and we have only touched on one particular aspect of that funding, Mr. Chairman.

They say that nothing has happened. Mr. Chairman, they are not really aware of the revision of curriculum, the major revision of curriculum that has been taking place and we will be discussing, I would hope, when we get under those particular sections.

They are not aware of certain new programs that we have brought in in our post-secondary career section where we have a new program, a pre-med program for native people, the first time in this province, I understand. I believe it is the first program of that nature in Canada. I'm happy to report, Mr. Chairman, that we will see the second intake of students into that program this fall. We are seeing increased funding in that area as well.

I suppose honourable members opposite would say nothing has happened as far as the Heritage Language Program is concerned. Well, nothing happened under their jurisdiction, but it has happened under ours and we do now have a heritage language program established in this province, several courses being piloted, but you know, that's nothing in their view. Mr. Chairman, again, they don't like to look at really progressive positive things that are happening. Or if they do, after all, it's merely tinkering, Mr. Chairman, it's not significant.

And of course, the new program, accounting and budgeting system that is being innovated, being brought into place at this time is an initiative of this government.

**MR. CHAIRMAN:** I would hope that the Honourable Minister would be more to the item which is under discussion, which is School Grants and Other Assistance. I have allowed some latitude, but it has developed into a debate and I would hope that the honourable members would stick to the item, which is 3.(a) under discussion at this point.

The Honourable Member for St. Boniface.

**MR. DESJARDINS:** On a point of order, Mr. Chairman, as you stated, you have given the Minister quite a bit of leeway. I had intended to get in this debate because of the statement that he has made, and I hope that I won't be ruled out of order.

**MR. CHAIRMAN:** I would have to rule anything out of order that is not in this. I have allowed some debate that has varied from the item under discussion, particularly with the previous speaker to the Minister, and I would hope that we can get back to the item, rather than get into, as referred to by the previous speaker, as an election campaign. I would like to get back to 3.(a). —(Interjection)— I have just ruled the Honourable Minister out of order for the remarks that have been made. If it's to go any further, I think that we have to throw it completely open, and that's not the intent of this group at this point.

The Honourable Member for St. Boniface.

**MR. DESJARDINS:** Mr. Chairman, you're one of the members anyway on that side that I've never questioned your integrity or your sincerity, so to help the work of this department I will abide by your decision, but I think the Minister was giving leeway, that's fine, but for an awful long time. He covered the waterfront, and there are certain things that I — (Interjection)— I know, you haven't covered what I want to talk about. Mr. Chairman, then I will — (Interjection)— Mr. Chairman, if I am challenged by the Minister, then I will test your ruling, because if the Minister wants the debate absolutely, I am ready to get in this debate.

**MR. CHAIRMAN:** To the honourable members. The item under discussion is School Grants and Other Assistance. I listened very carefully and I did have some reference to School Grants and Other Assistance. We have a few masters in the Legislatures, quite a few, and I would ask the honourable members to try to make the job of Chairman a little easier.

The Honourable Minister.

**MR. COSENS:** Mr. Chairman, we do appreciate the very capable way in which you conduct these proceedings.

The program, Accounting and Budgeting Program, of course, I believe is applicable to 3.(a) because it falls within the jurisdiction of the Public Schools Finance Board, which is part of consideration in Item 3.(a).

However, Mr. Chairman, I was attempting to make the point that something had happened. I think I have made that in part, there are many other things I could have touched on at this time, I'll get that opportunity as we move through the debates, and will be able to re-emphasize, I suppose, on some

occasions, some of the things that would refute what the Honourable Member for Rossmere has said about nothing happening.

### INTRODUCTION OF GUESTS

**MR. CHAIRMAN:** If I could just interrupt the proceedings for a short time. We have a group of visitors up in the gallery on my right, and I would like to introduce this group. It's the West Fargo band from Fargo, North Dakota. There are approximately 50 members visiting the Manitoba Legislature this afternoon, and I would ask the honourable members to join me in welcoming this group to our Legislature.

### SUPPLY — EDUCATION Cont'd

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

**MR. SCHROEDER:** Thank you, Mr. Chairman. Yes, the Minister has quite properly made the point that it is not true that nothing has been done. In fact, the Headstart Program has been cancelled; Funding for Parents Associations has been eliminated; the SUN Program was cancelled; the Term Program is over; the Winnipeg Adult Education, nothing has been done about that, and the fees are rising; the Small Schools Grant has been eliminated; Native Education funding has been cut down, we could go on and on. I would ask the Minister to provide us with a list of the services that his government has either eliminated or cut down since 1977. In terms of funding, I would like to refer back to the Spivak Task Force and I suggest to the committee that, in fact, the proposals of that committee have been followed by this government: that is, No. 1, to create an incentive to bring about spending control at the school division and provincial levels, as I had discussed earlier; No. 2, a recommendation to withhold grants to divisions to require more effective operations under The Public Schools Finance Board Act; and No. 3, controls should be made where special levies at the local level cannot be justified. I don't have the . . .

**MR. CHAIRMAN:** The Honourable Minister on a point of order.

**MR. COSENS:** Mr. Chairman, point of order. If the Honourable Member for Rossmere is inferring that grants have been withheld, then he is incorrect and I would not want that impression to be left on the record.

**MR. CHAIRMAN:** I think that, on a point of order, it's the opinion of the honourable member, rather than stating facts, and I would rule that the point of order is not a point of order.

The Honourable Member for Rossmere.

**MR. SCHROEDER:** Thank you, Mr. Chairman. The Minister referred to an increase of 1 million in a certain program. He said, but the Member for Rossmere will call that paltry or something like that, because the Member for Elmwood said 7 million was paltry. One million bucks is no paltry sum, but let us put that million dollars in perspective; that is on a Education Budget of over 400 million, the Minister,

when asked to demonstrate what it is that his government has done to increase funding for special education needs, to increase funding for those who need, he talks about 1 million on 400 million, which is 1/4 of 1 percent. A quarter of 1 percent, and he is saying, hey, look at what a good boy I am, look at what I have done for Education.

**MR. CHAIRMAN:** (a)—pass — the Honourable Member for Winnipeg Centre.

**MR. J.R. (Bud) BOYCE:** I want to be careful and I don't want to stray, but nevertheless on one of the other items we felt it necessary, or at least I felt it necessary, to move a reduction, because the Minister hadn't explained to us why he wanted some funds voted. We are talking about 400 million, that is a lot of money, and this aid or support financing for the school system is really where I feel that the government has to justify the expenditures of funds. I agree that we shouldn't duplicate debate. Some of the points could be raised on the Minister's Salary, but nevertheless the remarks that were made a few minutes earlier, when you were trying to make us focus a little closer on the specific item, goes to the heart of the question, Mr. Chairman. We have been trying for three years to elicit from the government what their philosophy of education is. The Member for Rossmere, just a moment ago, made reference to the task force report, and I would ask the Minister, I haven't asked him this session, it slipped my mind, because in the first year they were in government, I asked him what his opinion was vis-a-vis the recommendations of that task force. And that isn't a Irish slip of the tongue, because it was a farce not a force, and he undertook in the first session to send us his opinion relative to the recommendation in that report. We are still waiting, Mr. Chairman, we are still waiting. And what has put the opposition in a very very difficult position with this government is their total contempt for public systems, their total contempt for public systems, and we are put in the position that we are questioning their thrust in the public sector. We know that they say, free Manitoba, so they can flee to Ontario, or Alberta rather, it was reported in the paper over the weekend.

What is the philosophy of this government in Education? How are they going to equip the students who are in the system now to cope with the 80s, and 90s and up to 2,000, Mr. Chairman. That is what this Committee is faced with the responsibility of ascertaining. What this government has done is taken their two best soap salesman and put them in positions — one in Education and one in Health — because we cannot get a concrete answer from the government in anything. In Health, and we can see the results of it in the province of Manitoba, that the public health system is deteriorating rapidly, to the point where the whole province is concerned; and in Education, Mr. Chairman, and public funding of Education —(Interjection)— I will make my arguments the way I make my arguments. I digress, but briefly.

What is this Committee all about? Is this a rubber stamp for flimflam, for gobbledegook — there is a nice new word, Alexander has left us something from his stint in the House of Commons, because there was a man of the people — and this flimflam, this

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kidding of the public by painting veneers on things, and coming out with long speeches which say, if people would only read them, absolutely nothing.

This Committee, Mr. Chairman, is charged with the responsibility, on behalf of the people of this province, of ascertaining what this government is going to do for the citizens of tomorrow, and we get precious little. We know what their reaction was to two projects, and I don't pretend that Building the Pieces Together didn't need improvement, didn't need modification, didn't need some changes, they didn't even want to try it. Cooperativeness to try and have our citizenry take a look at other alternatives rather than the adversary system in every aspect of human life. They wouldn't even look at it, they locked them up, they locked them up, they didn't burn them like the Bundestag, but they locked them up, they made it impossible for the people to get it, and sold a million dollars of worth of effort for 28,000.00. Because that was a philosophical difference between that government and this government, but these people are not putting their philosophy before the people of the province of Manitoba. I am sorry, Mr. Chairman, but the Minister is very good with words, but he is selling soft soap to the people of province of Manitoba.

The point I would like to raise on the specific item before us, I have no objection, Mr. Chairman, to paying public funds into alternate school systems. In fact, the record will show that when there was a suggestion before this House in the early 1970s that we take a look at alternative systems, I supported, in the minority, the looking into that aspect of it. But nevertheless, Mr. Chairman, I digress once more. I am of a generation that they had in school systems stories with morals, a kid putting his finger in the dike. Why? You know, the stitch in time saves nine, that whole idea. That hopefully the citizenry will grow up that you stop problems before they get too big, and I say that digression relative to my point, that if they are going to go to 3 million, 4 million, 10 million, 25 million into the private sector, into the private educational system, then we as servants of the public should insist, should insist that this isn't the concept of contracting out, which the philosophy of this government supports. The philosophy of a government which says, I am okay, I've got my insurance plan, I've got my old-age benefits, I have everything which I need, but nevertheless the public services will be contracted out to people that provide it at a lower cost, cost not to the individual who is providing the service, but cost to us as taxpayers, because many of these people haven't got the built-in fringe benefits which the public sector has built in, which makes it directly more costly, this is true, but nevertheless certification in the private school system.

I would suggest, Mr. Chairman, that the people in the private sector, if there is some reason for having the Manitoba Teachers Society Act on the Statutes of the Province of Manitoba, that if people have as an alternative the right to opt out of being a member of the Manitoba Teachers Society, that the same should apply to people in the private sector. The pension plans and all their other rights and privileges that pertain to teachers in the teaching profession in the public school system should apply to people in

the private system, and before public funds go into that system, that should be guaranteed.

Is it a parallel case, Mr. Chairman, in this country today, where people in the private sector were successful in having the government of Nova Scotia pass labour laws which were tantamount to supporting the position of Michelin in the province of Nova Scotia — and I will equate this to the philosophy of this government — and now they are after the government of Canada to put 54 million as a DREE grant into Nova Scotia to pay that company for so having done. Mr. Chairman, I don't think this is equitable, and in the 1980s, I don't think this is going to serve us as Canadians, that kind of philosophy, I don't think it is going to serve us one bit of good, and the same applies to the private school system in the province of Manitoba.

I am a product of the private school system, but if we are going to use this private school system, it should be equal to, parallel to, and the rights and privileges of people within the system should be parallel to those in the public system. It shouldn't be a way of this government in, the hole in the dyke, Mr. Chairman, of allowing contracting out of government services by using the public services or using the private sector, because this, as on the City Council, they would even contract out garbage because garbage collectors are making too much money in the public sector. They would rather give it to somebody who will hire people at the minimum wage, with no job security, no pension plans, no medical plans, no other kind of benefit at all. On my behalf, I think that is despicable that these people act on my behalf in this regard.

The whole philosophy, Mr. Chairman, this is what has got some of the people over here angered, and justifiably so, I believe, that this government after three years, or for three sessions, has refused to say what their philosophy is relative to Education. When the Minister says earlier that they have passed this School Act, it is a splitting of hair, I will agree; the Act is presented once again for the consideration of this Legislature. But, Mr. Chairman, we saw the attitude of the government, and if anybody wants to take the trouble to read the Hansards, or the transcriptions rather, of the committee meetings which were held inter-sessionally on behalf of this Legislature vis-a-vis these two bills, it is evident the attitude of the government. A committee hearing is to them a place where they sit, people come and present their views, that is it. There is no attempt to dialogue; there is no attempt to question; there is no attempt to understand. They know what they want; they know what they want. They want school inspectors. They won't say it. Educational administrative consultants appointed by Cabinet. The new Acts say field representative. They are saying the same thing. It is their prerogative, it is their responsibility; if they think that this will serve the public, then they should do it, but they should tell the people that this is what they are doing.

Mr. Chairman, if people are going to go through an Education Department estimates and ask this committee to spend 400 million without a clue what they are going to do with it — oh, they can up and they can say, this program or that program or any other program, but, Mr. Chairman, I know, I am of a particular bent. Around this Chamber it is filled with

symbols and things are based on philosophy. People say, oh, there goes Bud again talking philosophy. They got Moses over there shaking his finger at us. They got Solon over here in the other corner, and around the whole cotton-picking place they got other symbols. Every darn thing we do is based on philosophy, and the philosophy of this government is to hell with the public sector, give everything to private sector. If this is their intention in this regard and in Education, that they are going to crucify the public system, I, for one, will not remain silent, Mr. Chairman.

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

**MR. WALDING:** Mr. Chairman, I wonder if I might ask the Minister a few questions at this time, strictly to the topic, Mr. Chairman.

Mr. Chairman, the Minister had mentioned a figure of something like 76 percent as being the government's contribution towards the cost of public school education in this province. My colleagues have used the figure of something in excess of 400 million for the total cost of education. I wonder if the Minister could give us a more accurate figure of what the cost of education provincially is expected to be in 1980.

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

**MR. COSENS:** The net expenditure by the school divisions of this province, Mr. Chairman, is some 473 million. That is an estimate, Mr. Chairman, on the basis of the budgets that we have at this time.

**MR. WALDING:** Thank you, Mr. Chairman. I realize it must be an estimate and I assume from the Minister's figure that that corresponds to the figure of 441 million that this committee used last year.

I would now like to ask the Minister . . .

**MR. COSEN:** 435, Jim; 435 was net.

**MR. WALDING:** The Minister calls across 435, but in checking Hansard I find that the figure of 441 was widely used last year.

However, can I ask the Minister now how he arrives at the amount of the provincial contribution towards that figure. I assume that he starts with the 218 million which is indicated under 3.(a). Can he tell us what he then adds further to that, and I assume he is referring to tax credits for the balance?

**MR. COSENS:** Yes, Mr. Chairman, that sum is estimated at 144 million.

**MR. WALDING:** When the Minister mentions 144, is that just the revised Property Tax Credit Plan, and is that 100 percent of the revised Property Tax Plan that he is taking into account?

**MR. COSENS:** Yes, Mr. Chairman, as I mentioned before, in the same way, that this has been the way it has been regarded for the last seven or eight years. It is not just the tax credit but the tax rebate, the pensioners' school tax rebate and so on is included in that.

**MR. CHAIRMAN:** (a)—pass — the Honourable Member for St. Vital.

**MR. WALDING:** Mr. Chairman, that is what I was getting at when I posed the question to the Minister, whether it was simply the revised tax credit amount or whether there was something else in there, and the Minister said, yes, it was exactly the same, but then he added that there was the pensioners' tax credit as well. Now, is that the total amount or is there something else that is put in there as well? Can the Minister give us the amount of that pensioners' tax reduction plan that he is figuring in?

**MR. COSENS:** Mr. Chairman, the Pensioners' School Tax Assistance Program is estimated at some 6 million.

**MR. WALDING:** Did the Minister give the committee a figure as to the percentage increase in the province's contribution to Education this year?

**MR. COSENS:** Mr. Chairman, I can get that for the honourable member in a minute, perhaps if he would like to pursue some other questions just while I am working that out. I understand that he is talking about direct grants or the total. The total, of course, is 76 percent if he is talking about indirect and direct.

**MR. WALDING:** No, Mr. Chairman, I am speaking of something different again. I am asking for the percentage increase in the amount of the province's contribution this year over last year. Just as a comparison, there was some argument in this committee a year ago as to whether it should be 6 percent that the Minister had announced earlier on, or whether it should be 5 percent including aid to private schools, or whether it should be 4-1/2 percent, which was the contribution towards public school education. I would like to know what is the figure for this year.

**MR. COSENS:** We will work that out for the honourable member, Mr. Chairman, and I can advise him that the private school agreements are not included in the calculations.

**MR. WALDING:** I thank the Minister for that information. Can I ask him if he has for me some information that he undertook to provide a day or so ago, one having to do with the number of certified and uncertified teachers in private schools and one having to do with the amount of special warrants. I recall that the Minister had said that he would indicate on the particular line when we had reached a special warrant that was issued. If the Minister hasn't got that full information on special warrants, could he indicate whether a special warrant has been issued in any of the lines up to 3.(a)?

**MR. COSENS:** Yes, Mr. Chairman, on the first point of the Honourable Member for St. Vital, on the certified and non-certified, I am sorry, I have that material down in my office, I didn't bring it to this particular session. I can perhaps bring it in this evening and give to him.

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On his second point on the special warrants, again I unfortunately have not got that material with me, but just from memory I believe there is only one special warrant that applies up to this point, to 3.(a), and that was under the Inter-Provincial Training Agreements. A small warrant, and again I am speaking just from memory, Mr. Chairman, of 17,000 on Inter-Provincial Training Agreements.

**MR. WALDING:** Mr. Chairman, perhaps we can discuss the matter of certified and uncertified teachers in private schools this evening when the Minister provides me with that information.

I wonder why the Minister neglected to mention under Inter-Provincial Training Agreements, when we reached that stage a couple of days ago, as to why this had not happened. He gave us some figures on what he intended to expend in the coming year. Perhaps he could elaborate for us why that special warrant was needed, whether it was to cover an insufficient amount in all three of the training agreements, or was it one of them that went over the top. Could he detail that for us, please?

**MR. COSENS:** I thought that perhaps I had made that rather clear when we were in that section, that when we estimate the cost for a particular year, for say the Veterinary Program or the Optometry Program, we have no way of knowing exactly what the cost will be from the particular institutions that are offering the programs. We estimate and in some cases, in the case of Optometry, we over-estimated slightly, in the case of the Veterinary Program, we under-estimated, and that was the reason for the necessity for the 17,000.00.

**MR. WALDING:** Mr. Chairman, I have so many bits of paper it is difficult to know where any particular note is or what it was that I wanted to move on to next.

My colleague is suggesting that we ought to have our staff at a little table in the front there, although I suppose the next stage from that would be that the MLA go and have coffee and leave the staff to debate with each other.

Mr. Chairman, we had passed over the capital facilities review, which I seem to recall the Minister had mentioned really came under one of the earlier lines. I think we agreed at that time that we would raise it again under the Financial Support. I wonder if the Minister could explain to us what this new section is, if it is a new section, was it connected with the Public Schools Finance Board as a part of that section and, if so, and it was split away, can the Minister give the reasons for it?

Perhaps he could also just refresh my memory as to which line it does come under, whether it is General Administration, or whether it comes under the PSFB, which is under The Foundation Program.

**MR. COSENS:** Mr. Chairman, this is merely the Building Committee, and I don't say merely, it is what is probably more commonly known as the Building Committee of the Public Schools Finance Board. It has existed for many years and it is the committee that handles building proposals that are submitted to the Public Schools Finance Board.

**MR. WALDING:** Mr. Chairman, the Minister hasn't explained why this Building Committee has been separated from the Public Schools Finance Board. Was there some particular problem in having two groups within the board? Has the Minister found it more administratively efficient to separate them, or has the matter of reporting somehow changed, although I notice that both Capital Facilities Review and the Public Schools Finance Board report directly to the Minister of Education.

Can the Minister inform the committee whether it was the Building Committee in its entirety that was split apart; was it downgraded or upgraded; is there any change in the number of staff in that section?

**MR. COSENS:** Mr. Chairman, I can say to the honourable member there is no upgrading or downgrading, as far as the committee is concerned, at all. It's, I suppose, just a matter of setting it out separately in the schematic diagram of the department. We often get questions as to where this exists and I think in past years it has probably not even been mentioned but included with the Public Schools Finance Board. I think it is an important committee and it is, as you notice, placed beside the Public Schools Finance Board in the schematic drawing of the department.

**MR. WALDING:** Mr. Chairman, the Minister still hasn't explained to the committee as to why it was separated.

**MR. COSENS:** Mr. Chairman, I'll have to take that as notice because I'll be quite honest with the honourable member, I have no reason why it had to be separated, I suppose anymore than setting it out so that people will notice that that committee does exist within the department. I think until this point, people refer to the Public Schools Finance Board, some people refer to the Building Committee, and some question whether they are one and the same group. The Building Committee advises the Public Schools Finance Board in regard to school buildings.

**MR. WALDING:** Just for clarification, Mr. Chairman, can the Minister tell me whether the Public Schools Finance Board, whether the board itself is composed of civil servants or whether they are people from outside the department who serve on a part-time basis, as so many other boards and commissions do? If that is the case, are there members of that board on the Building Committee?

**MR. COSENS:** No, Mr. Chairman, with the exception of the chairman of the Public Schools Finance Board, the other members of the board are citizen members.

**MR. WALDING:** In that case, Mr. Chairman, is the Capital Facilities Review composed of some of the members of the board, or is it composed of staff of the PSFB?

**MR. COSENS:** The members of the Facilities Review Committee are civil servants who provide background material, research and support in regard to school buildings, to the Public Schools Finance Board.

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**MR. WALDING:** While we are discussing the Public Schools Finance Board, can the Minister confirm to me that all school divisions and districts are required to submit their annual budget to the PSFB, and can the Minister give me a date when this year's budgets were received.

**MR. COSENS:** Yes, I can confirm that, Mr. Chairman, and I understand that the date is February 15. I would like to check that date, but it's my understanding it is February 15.

**MR. WALDING:** Mr. Chairman, I assume that school board budgets are just as public documents as the province's Budget. I wonder if the Minister could provide the committee with copies of the school boards' budgets for this year, or at least one copy of each to this side of the House.

**MR. COSENS:** That's a lot of paper, Mr. Chairman, but if the honourable member would be interested in perusing that enormous stack of paper, I imagine that with a little bit of effort on the part of my department we could put it together for him.

**MR. WALDING:** Mr. Chairman, I don't promise the Minister that personally I will peruse every sheet of paper in that pile of documents, but we are interested, on this side of the House, in reviewing or examining the matter of education finance. We don't have the same facilities that the government and the Minister do in making its enquiries and doing its research, but we are interested in doing as much work as we can so that we, hopefully, will be able to comment intelligently on the government's proposals when they come out at the end of this year or early next year.

Just while I am asking the Minister for information, I wonder if he could give a breakdown to us on this side of the grants that were paid to private schools, both by division and by school, for the last available year.

**MR. COSENS:** The honourable member, if I understand it correctly, Mr. Chairman, would like this broken down for each particular private school, or just the total number? If he would just clarify it, please.

**MR. WALDING:** Mr. Chairman, I would like to know how much in provincial funds have gone to each school division having within its boundaries a private or independent school, and a further breakdown by each individual school as to how much it received. One reason we ask the Minister for it at this time is that that had been public knowledge previously, since the money was channelled through the school division, but now that it is going directly to the schools . . .

**MR. CHAIRMAN:** The hour is 4:30. I am interrupting the proceedings for Private Members' Hour and Committee will resume at 8:00 o'clock this evening.

Committee rise.

## PRIVATE MEMBERS' HOUR

**MR. SPEAKER:** Order please. We are now under Private Members' Hour. Thursdays the first item of business is Public Bills.

Bill No. 40, An Act to amend The Labour Relations Act, standing in the name of the Honourable Member for Inkster. (Stand)

Bill No. 44, An Act to amend The Medical Act. (Stand)

## ADJOURNED DEBATE ON SECOND READING — PRIVATE BILLS

### BILL NO. 45 — THE INVESTORS SYNDICATE LIMITED ACT, 1980

**MR. SPEAKER:** We will then proceed with Private Bills. Bill No. 45, The Investors Syndicate Limited Act, 1980. The Honourable Member for Logan.

**MR. JENKINS:** Yes, Mr. Speaker, I adjourned this debate on behalf of the Honourable Member for St. Johns.

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

**MR. SAUL CHERNIACK:** Thank you, Mr. Speaker. We are dealing here with changes proposed on behalf of Investors Syndicate, The Western Savings and Loan Association and The Provident Investment Company, and probably a multitude of other corporations that are owned and controlled by Investors Syndicate and, through it, by Power Corporation, unless there have been any changes that I am not aware of. You know, Mr. Speaker, when one enters the field of corporate endeavour on a national basis or, worse, on a multinational basis, one gets pretty easily mired down in a bog of share structures and control.

We are dealing now with the exact opposite of small business, aren't we, Mr. Speaker? We are not concerned, really, with the welfare of the small businessman of Manitoba. As a matter of fact, some of the companies which grew and were born and grew as Manitoba companies are really no longer that, are they, when one starts seeing that Investors Syndicate is of the size it is and deals with other companies buying, and I don't know if they are selling, but they are certainly buying and taking over.

I recall when the Western Savings and Loan was a very substantial Manitoba institution. As I recall it, it was owned and controlled by active Winnipeg citizens whom I knew and who were respected within the city. I suppose, as often happens with small business of with, as in this case, a larger size business, when the original owners are ready to retire and see a nice gain available, they sell and the logical buyer is a conglomerate and, of course, we are dealing with conglomerates.

I say all that, Mr. Speaker, only in passing. I don't know, really, whether Investors Syndicate, as such, is a good corporate citizen or not. I'm not aware that they are forerunners in helping to build the community, either culturally or socially or any other way. They are in business to make money.

I recall a number of years ago, when I was the Minister of Finance, they had the courtesy and concern to come to me and inform me that one

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small offshoot of their company was considering changing its head office to Prince Edward Island because there were tax advantages. I understood, and I have no criticism of their wishing to increase their profits and reduce their expenses, and I understood very well. Apparently, what they were going to do was to leave everything in place in Winnipeg but change the head office, or the transfer office, to P.E.I., involving, I think, a small cubicle and a couple of people who would be there, but by doing so would avoid payment of certain costs in Manitoba which were not attributable to them in Prince Edward Island. Their suggestion was straightforward that if we saw our way clear to making changes in our taxation structure then the inducement to stay would prevail. I seem to recall also that we did not indicate any preparedness to make changes and they stayed anyway. I hope that my reporting of this is correct because I was dealing with an old old friend of mine and I would not like to be misquoting our conversation because Peter Curry is still in Canada and can always come and point out to me any errors I've made and I hope he will if I've made a mistake in this accounting.

However, all of that is by the way. The Investors Syndicate is here before us wanting to eliminate what is obviously an artificial structure of three different companies. One, the Investors Syndicate Limited; the other as I read, the Western Savings and Loan Association; and third, the Provident Investment Company Inc., in order to make of them one company called Investors Syndicate Limited. I don't see any real objection in law nor in the Legislature to their doing that. I suppose one could only hope that the savings achieved would be passed on to their customers or to their shareholders who would there upon pay more taxes. I would only like to think that the benefits will stay in Manitoba, rather than move out to the ownership wherever it is, spread all over the country and maybe outside of this country. But I am not naive enough to think that the benefits to be derived by our passing this legislation will substantially benefit the people, the government, or the taxpayers of the province of Manitoba.

Having said all that, I have no objection, Mr. Speaker, to this bill going forward. It is reasonable, logical that they proceed as they wish to proceed. I want to thank the Investors Group and mainly their Vice-President, Secretary and Counsel, D. C. Bjarnason, for supplying our caucus with rather detailed notes on the purposes of the bill and on the various sections, explaining them as they go along. It is helpful because it is a technically complicated bill to appreciate and, as I say, it was a responsible way in which to deal with it and that is to make sure that we were aware of their notes and of their requests. There might be some specific points that might come up during the review in committee but, Mr. Speaker, I would suggest a very great responsibility lies on the Minister for Consumer Affairs, actually the corporate side of it, on the Honourable Attorney-General, and on legislative council to certify that, from the standpoints of their respective responsibilities in government, they have had this bill closely monitored, reviewed, to make sure that there is nothing offensive in the bill from the standpoint of the province and of the laws of the province. The

Attorney-General of course is responsible for general administration of justice. The Minister for Corporate Affairs, of course, because this is corporate changes that are being proposed and does involve, I'm sure, the Manitoba Securities Commission, and I would expect that they will take their responsibilities seriously and certify to the committee that they have reviewed the import of this legislation and approve of it, and of course legislative counsel who has to advise the Legislature itself.

I worry about that, Mr. Speaker, because of the system that we have where it's considered a private bill, and it is, and therefore it's a private member's bill, and a private member is given the onus of presenting this bill here and the opposition is given the responsibility of casting a wary eye over it. But the facilities that are available to the departments are much greater than that of the opposition, and therefore, government must take the ultimate responsibility to make sure that a bill of this nature has nothing, as I say, offensive or questionable about it. There is no real principle that I can see, no policy direction which should separate the political parties in their view of it, and therefore, expecting as I do that these Ministers and the government will accept the responsibility of certifying that this bill has nothing in it that should be questioned, I would be prepared to let it go to committee and receive their comments at that stage, unless they're prepared to give the comments before the passing on second reading.

**QUESTION put, MOTION carried.**

### **BILL NO. 53 — THE WINNIPEG FOUNDATION ACT**

**MR. SPEAKER:** Bill No. 53 — The Winnipeg Foundation Act, standing in the name of the Member for Logan.

**MR. JENKINS:** Mr. Speaker, I adjourned this debate on behalf of the Honourable Member for St. Johns.

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

**MR. CHERNIACK:** Mr. Speaker, the Winnipeg Foundation has a lengthy and distinguished record of service in Winnipeg and in reading the bill before us I was interested to be reminded that their main interest is to be for the benefit of the city of Winnipeg. I am just looking for the exact wording of that, but there is that statement in the bill. As I say, I have not yet found the place where it so appears. But what interests me is that this Legislature, in accepting a bill which I proposed some number of years ago, practically doubled its responsibility in that we doubled the size of the city of Winnipeg.

The Foundation, as I recall it, was started with moneys of the late, Mr. Alloway, as I recall it and I have a feeling of association with him only for the reason that my earliest recollection of my father's law office was that it was in the offices formerly occupied by Alloway and Champion which in its day was one of the financial institutions in the city.



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The Foundation, I believe, makes its greatest contribution in the provision of seed money for cultural and social endeavours and therefore works closely with the United Way and certainly not in competition with it. But through the contributions made by the Foundation over the years new projects have been started, new ideas within existing programs have been tested and developed and I only hope that the Foundation continues to receive the support of people of Manitoba but continues to do its work.

It is clearly an establishment board that runs the Foundation — I use the word establishment in quotation marks. The board is appointed by the Lieutenant-Governor of Manitoba, the Chief Justice of Manitoba, the Chief Justice of the Court of Queen's Bench, the Mayor of the city of Winnipeg, and the Registrar General of Manitoba.

I am pleased to say, Mr. Speaker, that I know each of these people and I think I know them well and I respect them all, and I think that the Foundation is in good hands when its perpetuation is dependent on their consideration as to who should be members of the board and who it appoints.

I must say that I am not entirely in agreement with this system, although I cannot substitute any better one. The only reason I say that is that I fear sometimes that it becomes routine for these gentlemen to meet and then to appoint the membership of the board. I am not aware whether they ever ask for suggestions, whether they canvass the cultural and social institutions of this city for nominations, or whether nominations indeed are made. In fact I have no knowledge at all of the basis on which they meet and the extent to which they review the names of prospective members of the board. And frankly, this is a time for renewing our information and I would hope that during the review in committee we have some report on this aspect. We do have annual reports of the financing, the financial dealings of the Foundation, but I don't recall that we know anything about the manner in which the distinguished people who make up the committee appointing the board, how they meet, what their criteria are. I hope in committee that the member who is sponsoring this bill, the Member for River Heights, would sort of be prepared to give us a report of what he has been able to learn as to the manner in which this board or group of five people make their decision and what criteria they use. I think that would be information that should be made available to the public and I hope it is done at that time, if not, on some other occasion.

Other than that, Mr. Speaker, in specifics, I have read the bill, I've reviewed it. It seems . . .

**MR. SPEAKER:** Order please. The Honourable Member for River Heights on a point of order.

**MR. GARY FILMON:** Mr. Speaker, I wonder if I might ask the Member for St. Johns, rather than have me attempt to provide all the information and answer the questions, whether it would be acceptable to him if the Executive Director of the Foundation and the Chairman of the Board were present to give that information, I think they would be better qualified than I to do so. Would that be acceptable?

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

**MR. CHERNIACK:** Mr. Speaker, I appreciate the interruption and of course it is not for me to say who should do it, but when I said the Mover of the bill — it's his responsibility to see to it that the information is brought and naturally I think it would be — I think only his modesty makes him say that someone else could do it better than he, but it is for him to decide who should give the information, and I think he is quite right, there are people who are closer to the foundation who could give the information. I'm looking forward to having it brought to us.

I was starting to say, Mr. Speaker, that I have reviewed the specific sections of the bill and it seems to me that all of the sections are understandable and acceptable and I have nothing other to say than to join the Mover of the bill in seeking support to have it brought to the committee after second reading.

**QUESTION put, MOTION carried.**

**MR. SPEAKER:** Bill No. 54, An Act to Grant Additional Powers to Charleswood Curling Club Ltd. (Stand.)

**MR. SPEAKER:** Is that agreeable? (Agreed) We'll then proceed to Resolutions.

### **RESOLUTION NO. 21 — 75th ANNIVERSARY MESSAGES TO ALBERTA AND SASKATCHEWAN**

**MR. SPEAKER:** Resolution No. 21. The motion of the Honourable Member for Virden. The Honourable Member for Swan River has eighteen minutes.

**MR. GOURLAY:** Thank you, Mr. Speaker. I'll be very brief with respect to the remaining comments that I'd like to make on this resolution. To add further to what I had said several days ago on this same resolution, I think that it's great that Manitoba is one of three prairie provinces. I think it's a great area of Canada, and it's gratifying to know that we have neighbours such as the province of Saskatchewan adjoining us and also the province of Alberta as the other prairie province.

As I indicated several days ago, my father, who moved from Ontario at the turn of the century, took up a homestead in Saskatchewan but for one reason or another did not stay there long. He moved into Manitoba.

I have had the opportunity of residing in Swan River and The Pas, and the traffic between the provinces of Manitoba and Saskatchewan, when you live on a border town, is always great. We had considerable interchange of people, and we do have interchange of people from Saskatchewan, many of them who call Swan River their shopping area. They deliver their grain to the facilities in Swan River and, for the most part, it is their community. There is a large area of Saskatchewan that calls Swan River, or the Swan Valley, their home.

The time that I spent in The Pas, there was also a great connection between Saskatchewan and Manitoba in that northern community. Many of the people of northern Saskatchewan have relocated in

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the area of The Pas and other parts of northern Manitoba, and I'm sure that the exchange has also gone the other way from time to time in various northern Saskatchewan communities.

With these few remarks, it is a pleasure for me to bring greetings and to congratulate the province of Saskatchewan and the province of Alberta on this, 1980, being their 75th Anniversary, and would extend best wishes to the citizens of those two provinces. Thank you.

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

**MR. HANUSCHAK:** Mr. Speaker, although a resident of Manitoba for most of my life, I had been born in the province of Saskatchewan and had completed a portion of my education there. I suppose, wherever one is born, there are certain things that one inherits from one's native province that one never loses. Having been born during the depression years, the drought years, just on the fringe of the dust bowl, just a bit north of Regina, and when I rub my teeth together I can still feel the fine sand grit that used to seep its way in even through the windowsills and the doors, despite the fact that everything was closed. —(Interjection)— The Honourable Minister of Agriculture has his contribution to make and he'll get liberty to make it and I do not wish to respond to him at this time; I will, to that comment, at a more appropriate time.

I have had close contact with the province of Saskatchewan over the years, in my political capacity, and visiting friends and relatives, personal friends and relatives, and those of my wife, and that of course takes me into different parts of the province a number of times a year.

I do regret, however, Mr. Speaker, that the last time that this resolution was debated in this House, and after the contribution made by my colleague the Honourable Member for Ste. Rose, that the Honourable Member for Roblin had taken exception with some of the comments made by him, that he felt that the Honourable Member for Ste. Rose was making a political issue out of this and that this resolution is not one to be made a political issue of, particularly when the Honourable Member for Ste. Rose made reference to some of the achievements and accomplishments of the province over the past 35 years, 36 years, going back to 1944.

Well, I really don't know why the Honourable Member for Roblin should have reacted to my colleague's comments in the manner in which he did, because during the last 15, 20 minutes, I slipped over to the library and just to refresh my mind, to make sure that I'm on certain ground, that I'm standing on firm ground with reference to some of the comments that I wanted to make, and I came across statements such as in 1944, with the change of government, the election of a CCF government, legislation created the system of larger school units, designed to secure greater equality of opportunity among pupils and a greater measure of equality and cost at the local level.

Reading on, basic operation grants payable by the province had been restored and extended; building repair and special grants increased; equalization grants greatly enlarged. I am simply mentioning this,

Mr. Speaker, because this is all part of the history of the province and part of its accomplishments. I think that these are accomplishments that the province of Saskatchewan is proud of and accomplishments that should be repeated time and time again because they are such that other provinces and other jurisdictions could take as an example. Provincial grants towards the conveyance of children in districts where schools were closed had been added.

Then, in the same publication, there is reference to a province-wide hospital insurance scheme coming into operation the beginning of 1947. And in 1961, the provincial government enacted legislation providing for a comprehensive medical care insurance program.

So the history of Saskatchewan goes on and on. Commencing in 1944 and the next 20 years, a great expansion of government activities and services helped to bring about the return of the CCF administration of T.C. Douglas by fairly comfortable margins in the general election of 1948, 1952, 1956 and 1960.

Mr. Speaker, it was comments of that kind that the Honourable Member for Ste. Rose had made to which the Member for Roblin had taken exception. I am not reading from some election campaign pamphlet put out by the New Democratic Party or at some time by the CCF party. I am reading quotes from Volume 9 of the Encyclopedia Canadianna, published by Grolier's, which is not a Socialist publishing house. Grolier's publish all kinds of educational materials and fiction and non-fiction of various types, religious materials. This appears in a Grolier's publication.

So the point that I am making to the Honourable Member for Roblin is that what the Honourable Member for Ste. Rose had mentioned in the House, those are facts of history. That is recorded as part of the accomplishments and achievements of the people of the province of Saskatchewan, and accomplishments and achievements of which the people are proud and have just reason to be proud of.

Mr. Speaker, a province with the type of track record as Saskatchewan has, and given the type of people that it has, people with the social conscience, with the foresight, with the recognition of a need to provide for equality of opportunity for all, all of us, I am sure, Mr. Speaker, would join in wishing the province of Saskatchewan well on the occasion of its 75th anniversary, on the occasion of its Diamond Jubilee, and I am sure even those of my age, who are getting up in years, I would hope to live long enough to enjoy and participate in the celebration of the province of Saskatchewan's 100th anniversary.

At the same time, I would also wish to add, Mr. Speaker, that Saskatchewan's sister province, with which I have had less contact and less association with than our neighbouring province, but nevertheless it entered into Confederation at the same time, in 1905, and being part of the Dominion of Canada, I would also wish to extend my best wishes to the people of the province of Alberta on the occasion of their celebrating their Diamond Jubilee.

**MR. SPEAKER:** The Honourable Member for Flin Flon.

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**MR. BARROW:** Thank you, Mr. Speaker. Mr. Speaker, having lived both in Manitoba and Saskatchewan, I would like to make just a few comments and be very brief and show my desire to support this resolution.

We lived in Saskatchewan, in Creighton; it is a border town, of course. We lived there six years and it was an ideal place to live. There was no distinction between a Manitoban and a Saskatchewan person. Before they had a community club in Creighton, they used the Flin Flon Community Club. The hockey club, the hockey rink, was patronized by Saskatchewan people. We got along just as well as if we had been in one big province.

There is only one thing that irks me, Mr. Speaker, and as you know, I have mentioned it in this House several times, as the former Minister of Labour will attest. We have a peculiar problem there with half of the ore body, or part of the ore body is in Saskatchewan and part is in Flin Flon. So we come under two jurisdictions provincially and one federally. It made it very very awkward, because at that time an inspector could not do anything, if it was happening in Manitoba. It might be one foot over that borderline and he had no rights to do or say in that regard. And the same happened on both sides. They finally decided they would put it under federal jurisdiction. This is awkward because it is so far away and they seem so unconcerned and, of course, you know the red tape you have to cut to get through the feds.

But anyway, Mr. Speaker, they decided they wanted to come under provincial jurisdiction and they chose Manitoba. The former Minister has asked me, why didn't we do it; we should have done it. Our government slipped; they erred; made a mistake. The only excuse I can make is that at that particular time our Minister of Labour was in very very poor health. He was at the end of his tether. He had strike situations. He was a very very busy man and we just didn't do it.

Anyway, Mr. Speaker, things have changed. After looking at the laws of both Saskatchewan and Manitoba, they no longer want to come under Manitoba. Their chief desire is to come under Saskatchewan laws because they have faith in the government there, which we don't here. They have a better health plan and safety and accident plan.

To wind up, Mr. Speaker, I see nothing wrong with this resolution. I think it is a good resolution, a motherhood, bread and butter thing, and we can support it wholeheartedly. Thank you.

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

**MR. BILLIE URUSKI:** Thank you, Mr. Speaker. Just a few words of congratulations to our sister provinces to the west and to the Member for Virden for bringing this resolution to the House at this time. No doubt the Member for Virden at the time likes to bring messages of this nature to the Legislature and it's certainly appropriate in terms of celebrating the anniversaries of Alberta and Saskatchewan in an appropriate way to bring greetings from the people of Manitoba to our sister provinces to the west.

I, like the member for Flin Flon, as well lived for some short period of time in the province of

Saskatchewan, in our Queen city of Regina. I have some very memorable moments of my time in, I guess one would call in the barns, in the stalls of Depot Division in the Queen city, amongst the horse manure, and the kind treatment by the people of Saskatchewan certainly bring back fond memories.

As well, we have many friends in Saskatchewan, in the cities of Saskatoon and Regina, and what better way for us, as Canadians and Manitobans and particularly neighbours from central Canada, to bring forward greetings on behalf of the Legislative Assembly and all of the people of Manitoba to all of the people of our neighbouring provinces celebrating their 75th anniversaries. I certainly would like to bring forward congratulations to all of the people of Saskatchewan and Alberta at this time.

**QUESTION put, MOTION carried.**

## **RES. NO. 22 — CROWNEST PASS RATES**

**MR. SPEAKER:** We'll proceed to Resolution No 22, on the Crownest Pass Rates. The resolution by the Honourable Member for Ste. Rose. This resolution was last debated in this House on April 21st. The resolution is presently standing in the name of the Honourable Member for Lac du Bonnet, and I see the Honourable Member for Lac du Bonnet is now coming forward. The Honourable Member for Lac du Bonnet.

**MR. USKIW:** Thank you, Mr. Speaker. It's obvious that if one simply steps out of the room for a moment or two that the welcome back is such that one would want to spend a great deal of time making ones contribution to members who want one here so much, Mr. Speaker.

Mr. Speaker, the last time I spoke on this resolution, I believe we had entered into a whole series of thoughts with respect to transportation of grain in western Canada and how that might be improved. But there's one area that I didn't touch on and, given the fact that I only have a couple of minutes, Mr. Speaker, I would like to end my comments with some reference to that area and that is that perhaps one of the big differences of opinion between members opposite and members on this side, Mr. Speaker, with respect to railway transportation and, in particular, as it relates to grain movement, but not confined to that, Mr. Speaker, is that we tend to believe that railways ought to perform a utility service to the people of Canada. We are not convinced that railways ought to be operated for the sole purpose of making money for the railways, and so therefore that obviously demonstrates very much the wide gulf between the thinking of the two groups in this House, Mr. Speaker.

We believe that railways can be used in such a way as to help develop regions across Canada, as a tool for balanced regional development. Something that members opposite perhaps are not terribly interested in, Mr. Speaker, but certainly all of the subsidies that went into the railway system from year one had that in mind. Governments of years past and from the very beginning when the railways were established did use the argument that subsidies make sense to railways in that that is really going to

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promote more balanced regional development across Canada. So really we're probably there in thought but not there in substance, Mr. Speaker, because it's obvious that while we've had all sorts of subsidies over the years that we still have a problem of railways fulfilling their obligations, not only as an entrepreneur in the transportation business, Mr. Speaker, but their statutory obligations which we all know only too well.

And so I think it's reasonable at this stage, when the railways are forcing the issue on the Crow rate, that this is an opportunity for Canada to again decide whether or not we want to continue with two railways or whether we ought to have one that is a public utility for the people of Canada and that is service-oriented, Mr. Speaker, service-oriented to the people of Canada and not in there for the purpose of extracting profits from their service. And that, Mr. Speaker, would indeed enhance the various communities throughout Canada in their development and indeed would fulfill the original dream of more balanced growth throughout the regions of Canada.

Thank you, Mr. Speaker.

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

**MR. DOWNEY:** Mr. Speaker, in speaking to the resolution that has been presented in the House by the Member for Ste. Rose, is a resolution that is very timely indeed because of the fact that the statutory rates, the more informally known or more readily known as the Crowsnest rates for the movement of grains in western Canada, particularly the coarse grains, is in fact being somewhat and very vigorously being debated throughout all of western Canada; that it is in fact recognized by the total agricultural community; that there either is or there has been certain problems created by, not solely by but partially by, the fact that we have had a rate in place that has not carried on with the costs of doing a job that has been probably necessary.

I think, Mr. Speaker, to suggest that the farm community at this particular time are doing what the members opposite think they're prepared to do, and that is to not discuss it but to sit back and say that we should continue to sit here and have a system of moving grain that is what I would consider not adequate to service the needs of the farmers; that the railroad companies, in my estimation, have not been forced to live up to what has been a statutory law of this country; that federal governments have not, and I say have not, taken the direct approach of providing a system of encouraging or forcing the railroads to move that product under statutory laws.

Mr. Speaker, I think basically the members opposite like to use the argument that the best solution to that kind of a problem is to nationalize the railroads. That is the first position that has been taken by members opposite, Mr. Speaker, when it comes to the statutory rates that the nationalization is the number one answer.

Mr. Speaker, the members opposite say the first thing is to make them do it. Well I guess their resolution or the way in which they can make the railways do that is to — I suppose their recommendation would be to elect an NDP

government federally. I suppose that would be the way in which . . . .

Let me speak briefly to that, Mr. Speaker. I would think that there is evidence before us, at this particular time, that we had an NDP government in the province of Manitoba for eight years; we saw a depleting rail line system; we saw a depleting transportation system under the Member for Brandon East; we saw problems created in the farm community because of the lack of equipment to haul the grain; that the concerns really weren't there from the members opposite. So what we've really had, we've had an example of what the NDP government in Manitoba think about the farm community. So to suggest that an NDP government at a national level would resolve all the problems as far as making the railroads do anything is totally false because we had demonstration from the members opposite what 8 years of NDP government did for farmers in Manitoba. They didn't even have a meeting or address the problem with the federal government. They wouldn't even call it to the attention of the industry a meeting with the federal government or the industry.

Mr. Speaker, we hear the Member for Brandon East say the great things that he did as a member of government. Mr. Speaker, there was totally 8 years that the farm community were forgotten about. We saw the rolling stock deplete. We saw the rail lines be abandoned in western Canada and, Mr. Speaker, we have the members opposite saying we should sit and do nothing. We shouldn't discuss, we should sit and do nothing. Well, Mr. Speaker, the evidence is in this resolution. The resolution that's before the House, Mr. Speaker, is a prime example of what they want to sit and do.

Mr. Speaker, in opposition to what we are suggesting as a government, and I think that we've had support from the provinces of Saskatchewan and Alberta, the federal government have been working with us. Mr. Speaker, we have had what I would consider a lot of positive action taken place in western Canada, because of, and through the leadership of, the Premier of the province of Manitoba, Sterling Lyon, in organizing and setting up what was imperative to get on with the job of helping the farm community in western Canada. And let us, Mr. Speaker, demonstrate what has happened. We have seen the commitment of a consortium of grain companies; we have seen a commitment from the government of Alberta; we have seen a commitment from the federal government, both Liberal and Conservative, to carry on with the cost of facilitating and the building of a multimillion dollar port facility at Prince Rupert.

Yes, Mr. Speaker, those are the things that have happened. We, Mr. Speaker, haven't sat and suggested that we just sit and debate the statutory rate or the Crow rate, that we sit and say that is the whole problem. Mr. Speaker, that has been part of some of the discussions that have taken place, but let us not totally isolate ourselves to a philosophical point that think they're going to make political brownies on. Let us get on with the job and not keep the farm community held at bay because of a philosophical dogma that the Member for Ste. Rose has.

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Mr. Speaker, that is the only contribution as far as transportation that that government or that opposition has made and it was really demonstrated under the leadership of the last Minister of Transport or whatever his portfolio was, from Brandon East.

Mr. Speaker, let us carry on a little further. We talk about the depletion of rolling stock. In whose time did the depletion of rolling stock take place? Yes, Mr. Speaker, the example of the members opposite, their concern for the farm community totally ignored. Well, Mr. Speaker, as I say part of the problem was created because of, because of the fact that there was a reluctance on behalf of the railroads to move the grain.

Mr. Speaker, there was a commitment made by the province of Saskatchewan to get involved in buying of hopper cars; there was a commitment made by the province of Alberta to get involved in the buying of hopper cars; there was a commitment by the provincial government of Manitoba to get involved in leasing of cars; there was a commitment by the federal government to get involved in the leasing of hopper cars and the rehabilitating of box cars. So, Mr. Speaker, there have been a lot of positive things take place. Why, Mr. Speaker, has that had to happen? The reason, Mr. Speaker, that has had to happen is because of the fact — (Interjection)— desperation, the Member for Lac du Bonnet, says. That is correct. The alternative would be to do what they did and that was absolutely nothing, absolutely nothing, and let the farm community starve to death. That was what their alternative was. Or, Mr. Speaker, or sit and debate what has been a traditional political debate in western Canada. Safe political ground is to sit and say we want to preserve the statutory rate because the farm community have that coming to them. I couldn't agree more, Mr. Speaker, that the farmers of western Canada and Manitoba deserve to have the statutory rate benefit maintained for the agricultural community. There is no question about that. We want that, Mr. Speaker, and we will be the last ones to give up on that.

Mr. Speaker, we have in fact made some positive moves collectively with the other provinces and the federal government. Mr. Speaker, there has been a lot of work done, and it hasn't been easy work.

I again go back to say the reason it had to happen, Mr. Speaker, is because no one was forcing the federal government to force the railroads to do the job that they had to do, or should have been doing, under statutes of this country. Mr. Speaker, what I believe should happen is, and it's a policy of our government, that we have to encourage — and the Member for Lac du Bonnet alluded to it — we should encourage or at least look at the change in the processing or the different desires or the needs of the different regions of Canada. In the initial days of the statutory rate, western Canada needed a freight subsidy to bring the manufactured goods out of eastern Canada to develop western Canada, a virgin prairie that was lying here, and it needed a government policy that could create an incentive to bring people west. To develop what? It was the breadbasket of the whole world in western Canada.

They introduced a policy and it helped bring manufactured or processed goods out of eastern Canada, Mr. Speaker, and in return, what was given?

In return was a fixed rate to move raw products out of western Canada to international markets, a commendable policy and one which I support and will continue to support.

Mr. Speaker, what we are facing today, with the different kinds of agriculture production we are seeing, the world demand for red meat products, which in fact wasn't there many years ago when the initial statutory rates were set up, the demands for margarines, for vegetable oils that we are seeing produced here in western Canada, the whole agricultural industry has changed. The whole processing of that agricultural industry's products have changed.

So, Mr. Speaker, what I am suggesting as the Minister of Agriculture for the province of Manitoba, and what we are doing is showing some leadership to help that processing industry and to help the farm community have a better marketing opportunity and diversity of crops that can be grown.

Mr. Speaker, I would also like to allude a little more to the red meat industry. We have the people who want to produce livestock and, Mr. Speaker, a good case can be made for the fact that some of the reasons our packing house industries have run into difficulties with the number of livestock that they are having to be available to put through their plants, is the fact that they have to pay the full tariff on the movement of their products out of western Canada. I am surprised at the Member for Ste. Rose bringing a resolution to the floor of this House, Mr. Speaker, to keep his livestock producers at a disadvantage to the rest of Canada. Mr. Speaker, it's incredible that that man can bring before this House a resolution that discriminates his own constituency and his constituents in the constituency of Ste. Rose. Basic livestock industry, and what does he do, Mr. Speaker? Mr. Speaker, he says, kill the Crow. Nobody has suggested we should kill the Crow.

What he could have done, Mr. Speaker, and I'm surprised he didn't have enough intelligence or enough foresight to do this, he could have, Mr. Speaker, brought a resolution that says why don't we put all livestock and all processed goods within the statutory rate law. Why didn't we see that kind of a resolution come forward? No, Mr. Speaker. Why didn't he help the livestock producers of Manitoba and western Canada? Why doesn't he want to have 600 people working at Swift Canadian? No, Mr. Speaker, they don't want to keep 600 people working at Swift Canadian. They bring in resolutions that will not only destroy those jobs, but hundreds more. That's the policies of the NDP Party in this province.

It said right in this resolution, Mr. Speaker, right in this resolution that they want to destroy employment opportunities for the agricultural industry in this province, because they are hung on a dogma. Mr. Speaker, there is no one on this side of the House — everyone on this side of the House will stand up and fight to the dying day to preserve the benefits that those statutory rates have given our grain farmers in western Canada.

Mr. Speaker, we are also realists and we know that the development of western Canada depends on the further developing of all our agricultural industry, not just the production of grain, not just the production of certain statutory grains that have been

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put in place several years ago. The agricultural community, led by — and let me tell you they are led by the Canadian Federation of Agriculture, who are a commendable group of people who are made up of the pools, who are made up of the grain companies who represent the farm community. What are they saying, Mr. Speaker? They are taking a realistic look at what is before the Canadian people today, particularly western Canada.

I think, Mr. Speaker, when we talk about resolutions on the statutory rate, we have to look at the whole intent of what is happening. I cannot support this resolution, Mr. Speaker, as proposed by the NDP Party, that in fact is discriminatory against our agricultural people in the province, and that's what it is doing, totally discriminating against the people of Ste. Rose, and I can't for the life of me — if that Member for Ste. Rose is anxious to be back in the Legislature — why he would have his name attached to this kind of a resolution. The Member for St. George, I'm sure, is going to have a lot of difficulty with it, too, because he himself represents an area, when the people of that community truly understand what is being debated here, will have a pretty tough time defending it before those livestock producers in his part of the province.

Mr. Speaker, let me tell you, I am totally sympathetic to the fact that we have had in place a statute that has protected the agricultural industry. Let me go on record that that will be the last thing that I would see ever happen, that a loss of that nature be taken for the farm community. That is the position of our government.

Mr. Speaker, we think it is healthy — I think it is productive — that we look at the alternatives, Mr. Speaker. And what are the alternatives? I again go back and make the point, one of the alternatives could have been — and it was recommended by the Hall Commission — that all processed or all other agricultural products be brought under the statutory rate. Mr. Speaker, why isn't that in the resolution on the statutory rate? No, Mr. Speaker, what is he saying? That the provincial government request that the federal government retain the Crow Rate in its present form, in its present form. That means, Mr. Speaker, that we can move wheat, oats and barley, that we can move flax and rapeseed and rapeseed meal off the western prairies at a subsidized rate. But what about the sunflower acreage of 400,000 that provide job opportunities for the people of Altona? What about the job opportunities for the people in Saskatchewan? What about the hundreds of jobs in the packing house industry in Manitoba? Why didn't the Member for Ste. Rose bring in a resolution saying that we want all agricultural products subsidized through the same freight rate? Where is it, Mr. Speaker?

No, he wants to retain it in its present form. No change. The Member for Ste. Rose would have the farm community starve to death because of his policies. Mr. Speaker, that about happened. Eight years — that almost happened, because under the leadership of the Member for Brandon East, the Member for Brandon East who says he was the gift to western Manitoba. Let me tell you, the people from western Manitoba are finally finding out what the Member for Brandon really is. He is a misleading Member of the Manitoba Legislature.

**MR. SPEAKER:** Order please, order please. The Honourable Member for St. Boniface on a point of order.

**MR. DESJARDINS:** Mr. Speaker, the Minister accused one of our members of misleading and I would like him to withdraw the statement, as the precedent was started this afternoon.

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

**MR. DOWNEY:** Mr. Speaker, I would withdraw those words that I used.

**MR. SPEAKER:** Order please. The hour being 5:30 . . . The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, I move, seconded by the Minister for Government Services, 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 10:00 a.m. tomorrow (Friday).