

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**Thursday, 19 March, 1981**

Time — 2:00 p.m.

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

**INTRODUCTION OF GUESTS**

**MR. SPEAKER:** At this time I would like to introduce 25 students of Grade 5 standing from the Robert Smith School, under the direction of Mr. Cartledge. This school is in the constituency of the Honourable Leader of the Opposition.

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, a question to the Minister of Education. Can the Minister of Education confirm that a letter was mailed from his department by the Assistant Deputy Minister of Education on March 11 of this year which reads in part: "Please note that the information provided above is in respect of only the special needs element of the operating support component. Additional information regarding Immigrant Children Language Support, Vocational Equipment Support is expected to be available soon".

Could the Minister indeed acknowledge that all the information that is required for school division boards to complete their budgeting, their assessing of the levy that is required pertaining to school financing has not yet been made available to the school divisions in the Province of Manitoba?

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

**HON. KEITH A. COSENS (Gimli):** Mr. Speaker, quite correctly there are some refinements that have not been worked out to this point, but certainly school boards have a very good indication of the amount of revenues that will accrue to them in the coming year.

**MR. PAWLEY:** Mr. Speaker, can the Minister advise when the additional information as referred to in the letter by the Assistant Deputy Minister of Education, will be made available to the school divisions so they can indeed finalize with precision, their estimates of requirement for the forthcoming year?

**MR. COSENS:** Soon, Mr. Speaker, very soon.

**MR. PAWLEY:** Then, Mr. Speaker, further to the Minister. Can the Minister advise why this Education

Support Program was announced in January of this year when all the information was not then available to be provided to school divisions, in order that school divisions could do the necessary budgeting, so they could provide public information, so they would be able to assess the needs within their particular school division for the forthcoming year, when we find that still in March the Minister and his department have not provided to the school divisions the information that is necessary? Why was it announced in January while we still have in March, a lack of information needed?

**MR. COSENS:** Mr. Speaker, the honourable member refers to some very minor portions of the program as far as total dollars are concerned, and certainly there have been indicators provided to school boards as to the amount they will receive. What hasn't been completed to this point of course, are the regulations that would govern these particular amounts. This is what in fact the honourable member is alluding to. Certainly I don't think it has caused any great inconvenience.

**MR. PAWLEY:** Mr. Speaker, would the Minister further acknowledge that there is still no uniform budgeting or accounting procedure in place within his department pertaining to this program?

**MR. COSENS:** That's quite correct, Mr. Speaker.

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

**MR. SIDNEY GREEN:** Yes, Mr. Speaker, I'd like to direct a question to the Honourable Minister of Health. Can the Minister of Health advise whether the citizens of Manitoba who happen to live in Shamattawa are now secure with regard to the provision of health services and educational services which appeared to be disrupted some weeks ago?

**HON. L.R. (Bud) SHERMAN (Fort Garry):** I can't confirm that in any definite way, Mr. Speaker, but we have been in touch with Federal Medical Services since the difficulties arose at Shamattawa and they have assured us that they would be meeting the needs and requirements of the area. I can't offer any more confirmation at this point on that subject but I'll certainly check it.

**MR. GREEN:** Is the Minister of Health able to say what is the current situation with regard to those citizens of Manitoba who happen to live in Shamattawa? Do they now have staff available to meet educational and health service needs such as are being provided to other citizens of our province?

**MR. SHERMAN:** No, Mr. Speaker, I don't think I have current information that can permit me to give the honourable member that assurance. All I have is the assurance from National Health and Welfare and Federal Medical Services, that they are addressing the problem and that they acknowledge their responsibility to provide those services. I know that

some medical and nursing services are being provided on an itinerant basis from neighbouring communities. I don't think permanent services have been re-established to this point.

**MR. GREEN:** I wonder whether the Minister of Health would consider it of benefit to the citizens of Manitoba who reside in Shamattawa, or other similarly potentially problem communities; whether it is possible to have some contingency plan negotiated with the Federal Government, whereby we as Manitoba legislators, can rest assured that the services would be supplied if there is a disruption, and that the Federal Government would meet its fiscal responsibility for paying for the costs, so that we are not in a position of having one group in our province totally at the whims of whether or not the Federal Government is able to provide the service.

**MR. SHERMAN:** Mr. Speaker, I have located my latest information on the Shamattawa situation and I would just like to respond to the Member for Inkster by advising him that Medical Services and Health and Welfare Canada do confirm that they're serving the Shamattawa community with nursing services on an itinerant basis, and the same applies to physicians services, and they intend to continue this until the problem is resolved. They say that they're negotiating with the Chief and Council to resolve the problem and when it's resolved, the nurses will be returned on a permanent basis.

In answer to his last question, Mr. Speaker, I would have to say that at this juncture I don't feel that it would be correct for the province to take direct action, pending a further report from Federal Medical Services, as to the outcome of their discussions with the Chief and Council.

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** Order, please. If I may interrupt at this time, we have 23 students of Grade 6 standing from Chancellor School, under the Direction of Miss Maria Ipsics. This school is in the constituency of the Honourable Minister of Health. On behalf of all honourable members, we welcome you here this afternoon as well.

## ORAL QUESTIONS (Cont'd)

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

**MR. HARVEY BOSTROM:** Thank you, Mr. Speaker. My question is to the Minister of the Environment. I would ask him if he has received a report from his staff that the citizens from Manitoba who were at the meeting held last night in Kenora, to discuss the proposed mine mill development on High Lake which flows into Shoal Lake, which is the water supply for the City of Winnipeg, if he is informed that the citizens who were at the meeting are still concerned and certainly were not sure from the information provided at the meeting that the mine operation would include Winnipeg's water supply.

I would ask the Minister also in view of his statements yesterday, if he is also aware that the Ontario Government informed the meeting that this meeting was one of the final steps in the approval

process and that they expected to approve this mining application within a couple of weeks.

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

**HON. GARY FILMON (River Heights):** Thank you, Mr. Speaker. I have received a report from my staff members who were in attendance. As well we are in possession of several copies of the consulting engineering report on the proposal. We also are aware that the Ontario Ministry of the Environment spokesman in attendance said that his government would not approve the proposal until all the concerns have been dealt with.

I also have been informed that tentatively they have suggested two weeks for a response time for our government, outlining our concerns on the matter. I have asked our Deputy Minister, in view of the fact that the current Minister of the Environment was not seeking re-election in today's Ontario election and in view of the fact that there may be a time lag between the appointment of a new Minister, I have asked my Deputy to wire his counterpart, the Deputy Minister of the Environment in Ontario, asking that they not impose any such time limit as two weeks but rather they give us sufficient time, whatever that may be, to respond fully to the proposal, after we have had a chance to analyze completely the consulting report and all the information which was garnered at last evening's meeting.

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

**MR. BOSTROM:** Well, Mr. Speaker, I would ask the Minister, in view of his statements yesterday at the Legislature, why the Minister failed to request information on the proposed mine mill operation from the Ontario Government and the mining company, as he assured us he would do approximately a week ago during his Estimates, I must point out to him that this information was available to his department and to himself through the Government of Ontario and it was advertised in the Press that this information was available.

**MR. FILMON:** Mr. Speaker, I'm informed that this report was not available to our staff until yesterday; that in response to our expression of concern in the proposal that we were obviously informed of the meeting, invited to attend and provided with the information at last evening's meeting. In fact the representatives of the Ontario Ministry of the Environment indicated that it was their problem, that we were not able to get all the full information until yesterday, and that they are more than willing to cooperate with us in doing whatever is necessary to allow us to review and respond to this proposal.

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

**MR. BOSTROM:** Mr. Speaker, it appears that the Minister is relying very heavily on the Ontario government in this respect and I would ask the Minister if he is satisfied that he can depend on the Ontario government to protect the water quality for

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the citizens of Winnipeg, and I ask this when in view of the fact that we already know that the Ontario government allowed the disastrous pollution of the English Wabigoon water system where people as well as fish and wildlife are suffering from the disastrous results of their lack of concern for the environment?

**MR. FILMON:** Mr. Speaker, I have to point out to the member that this proposed development is taking place in the Province of Ontario and so, obviously, I am not in a position to impose any constraints on the Province of Ontario or anybody else there. We are very concerned about the possible ill effects and want to be assured that there will be no negative effects for the people of Winnipeg and the people of Manitoba as a result of this development and we are doing everything possible to ensure that, Mr. Speaker.

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

**MR. BEN HANUSCHAK:** Mr. Speaker, I wish to direct my question to the Honourable Minister of Education to assist us in dealing with the Interim Supply. Could the Minister indicate to us whether the \$70 million of additional money, to which he made reference in his January announcement, is contained within the Estimates of his department which have been tabled in the House, and if they are, where?

**MR. COSENS:** Mr. Speaker, by coincidence, I've just been glancing at the incredible arithmetic of the Member for Burrows in his remarks on March 17 and I must say to him that in his addition he leaves out about \$148 million in his computation. If he can't find 70 million, he can't even find 148 million in his figures, Mr. Speaker. But, yes, in answer to his question, Mr. Speaker, the 70 million is in my Estimates and the taxpayers of Manitoba are benefiting from that 70 million.

**MR. HANUSCHAK:** A supplementary, Mr. Speaker. Would the Minister be good enough to indicate under what appropriation in his Estimates the \$70 million can be found?

**MR. COSENS:** The logical place of course to discuss this, Mr. Speaker, is in my Estimates but it is under the heading "School Grants and other Support".

**MR. HANUSCHAK:** Mr. Speaker, a further supplementary to the Honourable Minister of Education and I pose this question to him with the hope of giving him sufficient notice before we deal with the Estimates of his department. Would the Minister be good enough to provide the House with a school division by school division breakdown of all grants paid by the Provincial Government to each school division for the year 1980, and the anticipated grants to be paid on a school division by school division basis, of the various categories of grants proposed for 1981.

**MR. SPEAKER:** Order please. May I suggest to the honourable member that detailed information of that nature could best be provided by an Order for Return.

The Honourable Minister of Energy.

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, I rise on a point of privilege. I'm referring to an article in the Winnipeg Sun of Monday, March 16th, which I am quoted directly as making two statements that I think ought to be corrected. One, it refers to the Mandan Line to Nebraska that has been under some negotiation between Manitoba Hydro and the Nebraska Public Power District, states that because of objections by environmental groups, the installation of the so-called Mandan Line would be delayed. Mr. Speaker, I've never suggested that the Mandan Line is being delayed by objections from environmentalists.

Secondly, Mr. Speaker, —(Interjection)—

**MR. SPEAKER:** Order please. The Honourable Leader of the Opposition on a point of order.

**MR. PAWLEY:** Mr. Speaker, I think we need your guidance in respect to this, because on various occasions when we have brought up matters pertaining to correcting newspaper accounts you have ruled, and I think correctly on those occasions, that they were not points of privilege. In any event, they should be raised at the first available opportunity.

**MR. SPEAKER:** Before I can rule on any point of privilege, I must hear the point that is being put forward by the honourable member. (Interjection)—  
The Honourable Minister of Energy.

**MR. CRAIK:** Mr. Speaker, the point

**MR. SPEAKER:** Order please. Questions of privilege take precedence over points of order.  
The Honourable Minister of Energy.

**MR. CRAIK:** Mr. Speaker, the second direct quote, it's a direct quote in quotation marks, "The Mandan Project means we build plants on the Nelson River about two years sooner". Quite the opposite, Mr. Speaker, was said. So it's not only in error, it's out by some 180 degrees from the facts, and I think it's too important to not be corrected at this time.

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

**MR. PETER FOX:** Yes, Mr. Speaker, my point of order is that the question period should not lose time because of a matter of privilege. Secondly, I'd like to point out to you, Sir, that if a matter of privilege is not a matter of privilege and has been stated during a particular period of time, a point of order should take precedence over a matter of privilege, to point out that it isn't a matter of privilege. (Interjection)—

**MR. SPEAKER:** Order please. Order please. Points of privilege ought rarely to occur in the Chamber, and when they are raised they should be accompanied by a substantive motion of some type, for the House to take action. Therefore I would have to rule, since the honourable member did not bring forward a substantive motion, I would have to rule the point of privilege out of order.

The Honourable Member for Churchill.

**MR. JAY COWAN:** Thank you, Mr. Speaker. My question is to the Minister of the Environment and follows upon the questioning by my leader yesterday and the Member for Rupertsland today. As the Minister indicated in his Estimates that he wants the technical information on potential environmental pollution sources to be available to all Manitobans and as he indicated in this question period that he has a report from representatives of his department in respect to the meeting which was held in Kenora last night to determine the mine development on High Lake, is the Minister now prepared to table that report which was made available to him by his consultants or by his employees within the department so that the people of Manitoba can have that technical information available to them?

**MR. FILMON:** Mr. Speaker, the report from my officials was a verbal report. The consulting report is a report that's been made available to our department and I would think that it would be very important for my officials to review that as quickly as they can and as thoroughly as they can and perhaps after that time we might consider the matter of making it but not until they've finished dealing with it.

**MR. COWAN:** Well, Mr. Speaker, it's a relatively easy matter to make xeroxes, but that notwithstanding, I'd ask the Minister as he indicated when we discussed this matter during the Estimates over a week ago that he would check to see if any federal money was involved in this project because if it was, in fact, involved he suggested that the Province of Manitoba would have a way to deal with the project by invoking the Federal Environmental Assessment and Review process. I would ask him now if he has undertaken to find out if federal money is involved with the project and, in effect, the province can bring forward their case before that particular body because of that reason.

**MR. FILMON:** There does not appear to be federal involvement at the moment, Mr. Speaker, we'll continue to keep an eye on them.

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

**MR. COWAN:** I'm not certain whether the Minister is saying that he has checked or that he doesn't know of any federal money. I'll give him an opportunity to clarify that and as well I would ask him if he agrees with the statement that was made by Robert Dodds, the person who did the consulting report . . .

**MR. SPEAKER:** Order, order please. Questions of agreement in someone else's statement are hardly questions that elicit information in this Chamber. The honourable member care to rephrase this question?

**MR. COWAN:** Thank you for your guidance, Mr. Speaker, I certainly would. I'd like to ask the Minister if he can comment on the statement by Robert Dodds, the consulting firm, which said that you could dump 100 barrels in the lake and you wouldn't find a trace at Shoal Lake, when talking about some of the

toxic chemicals which might represent a potential pollution hazard as a result of mining activity in the area. Can he comment on that statement which is reported in the Free Press, made by the person who has been entrusted to do a consultant's report on the potential pollution effects of this particular mining activity?

**MR. FILMON:** I'm having my officials review all of the information that has been provided, Mr. Speaker.

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

**MS. JUNE WESTBURY:** Thank you, Mr. Speaker, my question is addressed to the Honourable Minister responsible for Historical Resources and I wonder if she could advise the House what the current status is with regard to Caron House in Charleswood please?

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

**HON. NORMA L. PRICE (Assiniboia):** Mr. Speaker, the Member from Fort Rouge knows that Caron House comes under the jurisdiction of the City of Winnipeg and at this point I haven't been asked to enter into the situation.

**MS. WESTBURY:** Given that Caron House is in the City of Winnipeg and is under that consideration, would the Minister advise, Mr. Speaker, whether any assurance has been given to the Charleswood Historical Society as far as restoration is concerned. They have a guarantee of some federal money but there is some concern that there may have to be a cutback on some of the restoration, of course restoration not coming under the city, particularly, Mr. Speaker, I wonder if the Minister can tell us what her advice is concerning the future restoration of Caron House.

**MRS. PRICE:** Well, Mr. Speaker, as I mentioned before I have not been approached by the Historical Society at this point but I'm sure that, if and when they do come to me, that we'll certainly listen to their suggestions and talk to them about it more.

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

**MR. LAURENT L. DESJARDINS:** Thank you, Mr. Speaker. My question is to the Minister of Health. Could the Minister tell us when he'll stop monitoring and hiding behind the inspector and do something about the scandalous situation at the St. Adolphe Nursing Home? Is the Minister aware that the nurses are doing their best but with lack of support staff they have to wake the patients up at 4:00 in the morning to start, they have to wait for hours for meals? Is the Minister aware that they are left in filth and wet and that the relatives of the patients there are quite concerned for their loved ones with the situation that it's in?

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

**MR. SHERMAN:** Mr. Speaker, I'm certainly aware of those allegations and I'm certainly responsive to the

concerns raised by the Honourable Member for St. Boniface and I want to assure him that I have the same concerns and that is why we have had Standards Division officers from the Commission on site at the St. Adolphe Nursing Home quite regularly in recent days and on spot-check bases whereby they come in at various times of the day, at unscheduled times of the day and night. I'm not going to pretend for one moment that the situation is ideal at the St. Adolphe Nursing Home, it isn't, and it never is in a health facility where an industrial dispute is taking place.

I have to say to the Honourable Member for St. Boniface that on the basis of the very careful monitoring that's being done, the reports that are given to me, the standard of nursing care is considered adequate and certainly considered up to standard but I would also want to make the point, Sir, that probably a very large reason for that, an explanation for that, is the work being done by the professional nursing staff at the home. I think the professional nursing staff is doing a tremendous job in going the extra mile in maintaining the level of care there and orienting new and unfamiliar staff with the residents. That situation is an extremely difficult one and should not be and will not be permitted to continue any longer than is possible. I'm hoping for a resolution of that dispute as sincerely as the Member from St. Boniface is.

**MR. DESJARDINS:** Mr. Speaker, is the Minister aware that the nurses themselves say that the standards aren't fair, that they can't cope; and is the Minister aware of some of the things that are happening, like the patient being wakened at 4:00 in the morning to start their bath. Is the Minister saying that we are exaggerating? I think the Minister said that yesterday, that those were not true, the statements that we've made. Is the Minister aware that some people have lost up to 10 pounds since this thing has been going on? Is the Minister aware that the people are very concerned; the relatives are very concerned. I'm not taking sides on the strike, my concern is for the standards. Will the Minister endeavour to do something immediately himself, not just rely on somebody else and monitor for another three months?

**MR. SHERMAN:** Mr. Speaker, my answer to the Honourable Member for St. Boniface is yes, I am aware. I am aware of the alleged situations that exist there and I'm aware of the real situations that exist there. I have in front of me reports from our own Standards Officers and I have reports that have come to me from the professional nurses on site. My office has discussed the situation with the physician who tends to the residents of the home. I have communications in front of me from the Manitoba Organization of Nurses Associations and the answer is yes, I am aware.

The Honourable Member for St. Boniface knows as well as I do that we're talking about 66 residents — 42 of them personal care residents — and that one doesn't entirely hold all the cards in these situations. We have to have beds for those residents. What we need in there is a resolution of that industrial dispute and we need some relief for the professional nursing staff that is working so hard. We're attempting to achieve that short of getting into a situation where

something arbitrary or something sudden might happen which would find us without the capacity at the moment, to accommodate those particular residents; nor if possible, Mr. Speaker, do we want to have to move those residents and the honourable members knows why, I'm sure. It is always a very difficult and traumatic thing to transfer elderly persons and we are on the job I assure him, round the clock, attempting to resolve it and I'm just as concerned about it as he is.

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

**MR. DESJARDINS:** Mr. Speaker, I think that the situation of standards have been allowed to go down so badly that it is a shame. I suspect . . .

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

**MR. PAWLEY:** Then further to the Minister of Health. The Member for St. Boniface asked the Minister if he would acknowledge that indeed residents were being wakened at 4:00 a.m. in the morning to be washed and prepared for the day in contrast to the usual 7:00 to 7:30 a.m. awakening. The Minister indicated he had many many reports and was monitoring the situation. If that be the case, Mr. Speaker, will the Minister advise this House whether or not it is true from a reading of his reports, that indeed the residents in that home are being wakened at 4:00 o'clock in the morning to be washed and prepared for the day?

**MR. SHERMAN:** My information, Mr. Speaker, is that such is not the case. There are difficulties in association with the operation of a health facility where an industrial dispute is taking place, obviously. The professional nursing staff is hard-pressed and hard-worked at the present time and I understand completely that there are emotional circumstances and situations that give rise to a considerable number of criticisms and complaints and we take none of those criticisms or complaints lightly.

I can tell him that our Standards Officers have been in there as recently as the middle of the night through which we have just come, at 4:00 and 5:00 o'clock in the morning unannounced, and they assured me that the level of care is all right. That is not to say, Sir, that with new staff on hand, and unfamiliar staff on hand, and residents who are unfamiliar with the people who are looking after them, that it's a happy situation. It isn't a happy situation.

**MR. PAWLEY:** Mr. Speaker, then further to the Minister. Is the Minister then indeed informing this Chamber that the information that he is reporting to us, information from the Employment Standards Officers, has indeed originated with the professional nurses to the effect that the allegations referred to by the Member for St. Boniface are incorrect? Is that what the Minister is indicating, that the source of that information is indeed with the professional nurses in that home?

**MR. SHERMAN:** Mr. Speaker, I don't think it's necessary for me to repeat everything I've just said. Obviously the Leader of the Opposition didn't listen.

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**MR. SPEAKER:** The Honourable Leader of the Opposition with a final supplementary.

**MR. PAWLEY:** Mr. Speaker, then I ask the Minister of Health if indeed he will commence to listen, to listen to the real concerns involving the residents of that home, and the matters have been brought repeatedly to the Minister's attention.

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

**HON. GERALD W.J. MERCIER (Osborne):** Mr. Speaker, on March 5 the Member for Elmwood asked me some questions relating to change in bullets used by the Winnipeg Police Force, and asked me if I would review that matter and consider referring it to the Manitoba Police Commission.

Mr. Speaker, I have consulted with the Winnipeg Police Department who have done a thorough study of the ammunition used by the department and have decided upon the use of a bullet which is less likely to pass through the body and harm third parties. At the same time they have rejected the use of ammunition which, while it would not pass through the body, would be likely to have serious explosive effects on contact. I point out, Mr. Speaker, to the Member for Elmwood that the Police Department regulations set out extreme conditions which must exist before a police officer is entitled to discharge his firearm.

In fact Section 93(2) of the Winnipeg Police regulation states that a use of a firearm by a member may only be justified when on reasonable and probable grounds in the carrying out of a legal duty: (a) his life is in danger; (b) the life of another person is endangered; (c) he is in danger of grievous bodily harm; (d) another person is in danger of grievous bodily harm and then only if a less violent means is not adequate or possible.

Mr. Speaker, the Police Department have decided upon a bullet which has been used successfully by other police officers and is less violent than used by other police departments. I'm sure that the possibility of a bullet passing through a body and endangering others is much less probable with the new information. In view of this study and report, Mr. Speaker, I don't think it is necessary to refer this matter to the Manitoba Police Commission.

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

**MR. WILSON PARASIUK:** Thank you, Mr. Speaker. My question is directed to the Minister of Health. Has the Minister's staff informed him that as a result of my questioning him about the broken windows, the poor maintenance of the St. Adolphe Home, which the Minister called inaccurate, has the Minister's staff informed him that as a result of those questions, the owner of the St. Adolphe Home brought in lumber and new windows today to clear up the gross inaccuracies of the Minister in this respect?

**MR. SHERMAN:** No, I haven't. Mr. Speaker, nor do I intend to do so because if I did so it would be totally inaccurate. The operator of the St. Adolphe Nursing Home has responded to the findings of Workplace Safety and Health inspectors despatched earlier this

month by the Department of Labour; has responded to meetings held between myself, the Minister of Labour and the Manitoba Health Services Commission; and has responded to orders and instructions that have been directed to that operator by my office and the Health Services Commission several days ago.

**MR. PARASIUK:** I would like to ask the Minister, rather than defend the owner of the St. Adolphe Home, would he please look at the Minister of Labour's records in this respect and find out that in fact the work orders were issued last February, and that the work orders are now only being responded to after questions have been raised on this matter in the House?

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

**HON. KEN MacMASTER (Thompson):** Mr. Speaker, we were aware that some maintenance work, some upgrading work was taking place and yesterday I had one of my senior officials go in, in conjunction with one of the Workplace Safety people, in conjunction with a person from the Health Services Commission. We were made aware of the fact that the majority of the corrective measures that were required to be done had been done and the remainder will be done by noon tomorrow.

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

**MR. PARASIUK:** Yes. I'd like to ask the Minister of Health, if in view of the terrible employment standards record of the owner of the St. Adolphe Home, and in view of his not complying with work orders promptly with respect to maintenance, is the Minister of Health still actively considering a request from the owner of the St. Adolphe Home, to build more private profit-making homes and continue this type of care? Is the Minister still actively considering that request to build more private profit-making homes by this person?

**MR. SHERMAN:** Mr. Speaker, this government starts from no ideological prejudice or bias against —(Interjections)— That's very interesting, that premature laughter, Mr. Speaker. It starts from no ideological prejudice or bias with respect to proprietary operations in the nursing home field, unlike members opposite.

Those proprietary operators who build to standards and operate to standards and demonstrate that they perform according to standards, are encouraged to participate in our health care system. Any proprietary operator who does that will receive fair treatment from this government, not from the previous government. A proprietary operator who does not, will not receive consideration by the government. —(Interjection)

**MR. SPEAKER:** Order please. Order please. I would hope that all members, having once asked a question, would give the member who is answering the question the courtesy of at least listening to him. or if you don't want to listen to him, allow me the courtesy to listen to him.

The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, just to respond to a question from the Member for St. Johns who raised the matter again yesterday or the day before with respect to Orders for Return which are outstanding, I believe the Minister of Labour filed one of those Orders for Return yesterday, and I'm advised that those matters are all under active consideration by the Ministers involved. I would suggest that if he has any questions about delay involved, that he refer the specific Order for Return to the individual Ministers.

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

**MR. SAMUEL USKIW:** Mr. Speaker, I would like to ask the Minister of Finance just when it is that he intends to bring down the Budget.

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

**HON. BRIAN RANSOM (Souris-Killarney):** Mr. Speaker, when that date is set, the House will be the first to know.

**MR. USKIW:** Mr. Speaker, I recall the Minister indicating that it would be an early Budget and I now think it is going to be a late one, but notwithstanding that I wish to ask the Minister, why it was that he was unable to extract a better interest rate from the Lougheed administration on the \$110-odd millions that were borrowed from the Province of Alberta of our own money, Mr. Speaker, money that was extracted from the Province of Manitoba through oil revenues?

**MR. RANSOM:** Mr. Speaker, first of all, I believe my previous comment with respect to the Budget was that it would be earlier than last year and I expect that will be the case. Secondly, the rate of interest which the province obtained from Alberta through its Heritage Fund is better than could be achieved on any market. The members opposite have a curious attitude towards what is theirs and what belongs to the rightful owners of it, and one of my colleagues raised the question of what type of interest would they expect to get from Saudi Arabia.

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

**MR. USKIW:** Mr. Speaker, I raise the question in light of the fact that the Premier of this province is so much in bed with Lougheed that it seems to me

**MR. SPEAKER:** Order please. Order please. There seems to be far too many trying to ask questions all at once. I recognize the Honourable Member for Lac du Bonnet.

**MR. USKIW:** Mr. Speaker, I again want to point out that the question is very germane since the Premier is so closely tied in with Lougheed on the constitutional issues, on energy issues and it seems to me that he should be able to extract a better deal for Manitoba with respect to borrowings of capital from the Province of Alberta.

**MR. RANSOM:** Mr. Speaker, I assured the honourable member the rate that was achieved on

that loan was a better rate than could be achieved anywhere else on the market. I might point out that there is an item in my Estimates which I pointed to when I introduced them two days ago, \$27.5 million I believe, Mr. Speaker, which is as a result of a loan taken out by those members opposite for Hydro a mere five years ago; \$27.5 million that the taxpayers of the province have to pick up today as a consequence of the borrowing policies pursued by those members opposite.

It doesn't surprise me, Mr. Speaker, that Premier Lougheed stands shoulder to shoulder on many issues with our First Minister here. When he first stood alone on the Constitution a few months ago, he was alone; there are seven other Premiers who have joined him now.

**MR. SPEAKER:** Order please. Order please. The Question Period having expired, we will proceed with Orders of the Day.

The Honourable Government House Leader.

## BUSINESS OF THE HOUSE

**MR. MERCIER:** Mr. Speaker, if I might first of all indicate some changes in committee meetings which I've discussed with the Honourable Opposition House Leader, tomorrow afternoon, the Public Utilities Committee which is meeting will consider only the report of the Manitoba Telephone System.

On Tuesday, March 24, at 10:00 a.m., Mr. Speaker, there will be a meeting of Public Utilities rather than Economic Development; and Public Utilities could then complete the report of the Manitoba Public Insurance Corporation.

Then on Thursday, March 26, at 10:00 a.m. next week, Mr. Speaker, the Committee on Economic Development would meet as scheduled, but to consider only the Manitoba Forestry Resources Ltd.

Then, Mr. Speaker, due to the lack of availability of the Minister, the meeting of Public Utilities for Tuesday, March 31 will be cancelled, but the Committee will meet as scheduled on Thursday, April 2 and Friday April 3, to consider the Manitoba Hydro Report.

Mr. Speaker, I move, seconded by the Honourable Minister of Finance, 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.

That would be two Committees, Mr. Speaker, Interim Supply would be considered tomorrow after Bills.

**MR. SPEAKER:** Order please.

## MATTER OF GRIEVANCE

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

**MR. BOSTROM:** Yes, Mr. Speaker. I rise on a Matter of Grievance with respect to the handling of the environmental aspects of the concerns raised by the Opposition in the last few days regarding the proposed mine-mill complex which is to be established on a lake called High Lake, which is one of the tributaries leading into the Shoal Lake Reservoir which forms the water supply area for the City of Winnipeg. Mr. Speaker, —(Interjection)—

**MR. SPEAKER:** Order please. I find it very difficult to listen to the honourable member. If honourable members care to carry on private conversations, I would suggest they do it some other place or in a very low key.

The Honourable Member for Rupertsland.

**MR. BOSTROM:** Thank you, Mr. Speaker. I find that it's typical of the Progressive Conservative Government in Manitoba when matters regarding the environment are raised, that the First Minister of this province, from his seat, calls these motions alarmist. The entire history of this government since they have been in office has been dismal with respect to all of the environmental concerns in the Province of Manitoba. We only have to look at the disastrous handling of the MacGregor spill, the inattention to other problems such as the lead pollution in the inner city, the lack of concern for other environmental matters like acid rain, the disposal of PCBs.

In the first few months of this government's operation, Mr. Speaker, we saw they were ready to set up a major condominium project, or allow a condominium project on Whiteshell Lake, which would have been disastrous to the environment. It was only after protests in this House and protests by the public in Manitoba that that was turned back, and it took them three years to tell the people of Manitoba that they weren't going to proceed with that, Mr. Speaker. This is where they had some access and some responsibility directly for the environment.

Now we have the City of Winnipeg water supply, which could be in jeopardy by a project which is to be established on the shores of High Lake. Mr. Speaker, this matter was raised in this Legislature by my colleague the Member for Churchill during the Minister's Estimates, and we find it alarming that the Minister, in spite of his assurances that this matter would be looked into, at this late stage in the development of this application he's only now starting to look into it.

Mr. Speaker, as I pointed out in my questions to the Minister this afternoon, there has been an advertisement in the press for the past week, from March 11th to March 18th, which pointed out to the Minister and to anybody else that wanted to look, that there was detailed information and supporting data on the proposed tailings area available for review by the public at the Town Offices in Kenora, and at Robert Dodds Ltd., Thunder Bay, Ontario. Mr. Speaker, given the Minister's assurances to my colleague during the Estimates process, we expected that he would have instructed his staff to make sure that they obtained copies of this information.

Mr. Speaker, he assured us in the question period yesterday that this proposal was at a very early stage of development and in fact it would be quite okay for his staff merely to go to this meeting in Kenora and act as observers, and listen to the concerns. Well, Mr. Speaker, I went and attended that meeting in Kenora last night and I found out, to my dismay, that the Ontario Government were prepared to approve this project within a couple of weeks, that this was one of the final stages in the application process for this mine and for this milling operation.

In fact, Mr. Speaker, when I raised the question in the meeting — and I might point out, Mr. Speaker,

that I was the only one from the Legislature at that meeting, there were no PC representatives there — the representatives which the Minister sent were junior members of his department who were not empowered to make any representations at that meeting, simply to be observers.

Mr. Speaker, this was the hearing, this was the only hearing that was scheduled for this project. After this hearing, Mr. Speaker, it was fully expected by the Ontario Government that they would merely answer the concerns that were raised at this meeting and they would go ahead with the project. Well, Mr. Speaker, the voice from Manitoba, from the Manitoba Government, was silent. There was no one at that meeting to make any kind of brief or submission on behalf of the Manitoba Government when you consider a project which could impact on the entire water supply for the City of Winnipeg. This is shocking, Mr. Speaker, this is really shocking.

This Minister can't dodge this issue and say he was not aware of it, because he was made aware of it. He had the opportunity to act, to obtain the information, to have his staff have at least a week of lead time to look over this information, to analyze the information and to appear at the meeting and protest in the strongest possible terms the milling complex being approved without a proper environmental impact study.

Mr. Speaker, there are many questions that are raised in this report. I happen to have a copy of the report handed to me only on Tuesday, and I've had the opportunity just very briefly to look over the report. As a layman, Mr. Speaker, I'm not prepared or able to comment on all the technical information which is in the report, but it appears to me that there's inadequate information, particularly with respect to the possible contaminants that may enter into the water supply system.

In any case, Mr. Speaker, I would think that the government should be concerned that here we have, as the only basis on which to make a representation, a report which was prepared by a consulting company for the mining company. They're working for the mining company to prepare an application to the Ontario Government for approval for a milling complex. So, Mr. Speaker, these people work for the mining company and they're going to continue to work for that mining company once the mill is in operation. So, Mr. Speaker, it's in their interests to promote the mining application, and to make it look like there's nothing to be concerned about.

Mr. Speaker, at that meeting last night I got the distinct impression from the mining company engineers, who were the main sponsors of the meeting and of course, the mining company themselves, who were represented by Mark Smerchansky, Sr., who is the president of Eco Explorations Limited, I got the distinct impressions that they were there to simply pat the people on the back and say don't worry, don't worry at all because everything will be all right, don't worry we're not going to pollute your water supply.

Mr. Speaker, I don't want to depend on that kind of analysis to protect the environment and to protect the water supply for the City of Winnipeg. I wouldn't think that the Minister of Environment should be ready to accept that kind of advice and technical analysis. He should be prepared to have his



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department go over all the available information. Further to that, Mr. Speaker, he should be raising some serious concerns with respect to relying even on the Ontario Ministry of Environment to recommend to him whether or not there should be a mining complex allowed on that particular lake.

The record of the Ontario government is certainly not a very favourable one. If you see what they are proposing to do with respect to this particular complex it gives even more concern. At the meeting last night when the concern about whether or not there would be any danger to the water supply, the environment person who was representing the Ministry of Environment commented that the mining company would be doing the monitoring and that the staff of the Ministry of Environment of Ontario would monitor the mining companies' monitoring.

Mr. Speaker, that's not good enough. They propose as it points out in the report, that they will pull some 90,000 gallons per day out of High Lake, push it through the milling process, god knows what contaminants are going to enter that water while it's in the milling process. It's going back out into the tailings area, through the tailings area and back into High Lake — 90,000 gallons a day. The mining company in their interim report, propose to monitor that water supply or that discharge of water from the milling process once a week. Mr. Speaker, every week there's hundreds of thousands of gallons of water that go through the system. Any one of those days could be a dangerous day as far as a spill or discharge from that system and they propose to monitor the discharge once a week. The lake into which this discharged material is entering, which is essentially the water supply for the City of Winnipeg, they intend to monitor that about three times a year.

Mr. Speaker, I would hardly think that would be adequate, just from a layman's point of view. I would not be satisfied and I should think the Minister should not be satisfied with that kind of monitoring. In fact, Mr. Speaker, we would question a number of the things within the report and I want to go into some of those individual items which are of concern.

They're using a chemical called sodium cyanide in the system of milling and I would expect that this is a pretty toxic chemical, Mr. Speaker, although I'm not aware of all of the properties. I don't believe that we should depend on the mining companies advice or the mining engineers who are working for the mining company, their advice, as to whether or not this is a dangerous chemical to the people of Manitoba. I would think we should want to have some kind of independent analysis of that to ensure that what they're telling us is the truth.

Mr. Speaker, during the presentation by the mining company engineers last night, it appeared to me that they were trying to give out as little information as possible. They had put together a fairly comprehensive report which they had presented to the Ministry of Environment. This report was questioned at the meeting because one of the Indian bands in the area, Shoal Lake, managed to get a copy of this report and had pointed out the number of discrepancies in the report. They said oh, all of your concerns will be answered, that's the answer they got at the meeting.

Mr. Speaker, they tended to claim that this report was only an interim report and that the Ministry of

Environment had information that answered many of the concerns in the report, although they never brought those answers to the meeting. I would say on the whole, Mr. Speaker, that it was a fairly misleading kind of meeting and certainly one which left concerns in the minds of all those who were there. There were a few residents from Manitoba by the way, that took the time to drive down to Kenora and make presentations at the meeting and ask questions. I talked to those people at the coffee break during the meeting and after the meeting, and they told me they were not happy at all about the presentation. They were concerned about the information that was presented and the lack of information that was presented.

The bottom line, Mr. Speaker, the last Manitoba person to speak at the meeting said that he simply did not believe the information that was presented to him by the mining company and the mining company engineers. There was one person at the meeting, a Mrs. Lamb, wife of Mr. Barney Lamb, who had first-hand experience with the operation of the Ontario Department of the Environment and had good reason to believe that you could not always trust the actions and the words of the Department of the Environment.

The Lambs if you may recall, Mr. Speaker, had property on the English Wabigoon River system that was subject to disastrous pollution in spite of their having been assured by the Ministry of Environment that there would be no pollution to that water system. She spoke at the meeting, Mr. Speaker, and she said that she would not put her faith and she would not want to have her water supply protected by the Ontario Ministry of Environment. So, I think one should keep that in mind, that one must question the information that is presented by this mining company and their engineers and also by the Ministry of Environment.

I would say, Mr. Speaker, just to go through some very specific examples that there a number of very serious concerns. They talk about the mine being opened for only four years. However, there is no guarantee anywhere in the report, there is no discussion in the report of there being any ongoing supervision of the mine-site in the tailings area to ensure that there's not some lasting pollution or lasting contamination of the water system after the mine is closed. There's no discussion about that, Mr. Speaker. They only talked about the four years and they said, don't worry it's only going to be operating for four years.

They admit in their report, Mr. Speaker, that there could be a failure of the retaining damn, which could result in a spill or a flow of water from the area. They admit also, Mr. Speaker, that there's danger of underseepage from the retaining damns around the tailings area where the mine is pouring their effluent. On top of that, Mr. Speaker, they're pouring out of the tailings area some 90,000 gallons a day back into High Lake and just to give you some perspective on that, Mr. Speaker, 90,000 gallons a day is like having 15 tanker trucks pouring the effluent into the lake, 15 tanker trucks every day. He mentions in the report, which is published in the Free Press today, that if you poured 100 barrels of oil or a 100 barrels of this effluent in the water you wouldn't notice the difference downstream. But, Mr. Speaker, what if

you're pouring not 100 times 45 gallons but 15 truckloads, 90,000 gallons a day, every day of the year for 365 days times four years. That's a lot of water, a lot of effluent going back into the system and I should think it would have some impact on the environment and the Minister should be concerned about that.

Mr. Speaker, another thing which the report addresses and which was not answered at the meeting, not answered satisfactorily, is that the discharge from the tailings area will take place into natural peat at the site and I quote from the report where it says, "which tends to precipitate heavy metals from the effluent in transit to the point of discharge from the area. So they're counting on the peat to be their filter for the heavy metals coming out of the milling process. They also point out in the report that they did an analysis of the peat area itself and they found high levels of arsenic, natural arsenic, in the peat surrounding the lake. In fact they admit in the report that the arsenic levels in this peat are higher than that permitted for normal healthy use of water and, Mr. Speaker, they propose to spill 90,000 gallons of water through that peat which will wash, I would think, would wash some of that arsenic into the lake, into the water supply system.

Mr. Speaker, that should be a serious concern of this government. They talk about the danger of acid mine drainage and their comment on that is seepage over time will probably not occur at this site. Well, Mr. Speaker, probability of acid drainage not occurring, I would think, is too imprecise for anybody to take a chance on this happening. There has to be better safeguards than someone saying it probably will not occur. They talk about trace metals. They say that they will monitor for trace metals and they say that subsequent remedial measures will be taken if they find any. Well, Mr. Speaker, they should know before the fact and they should have adequate safeguards in place before the fact, rather than saying they will test and then take remedial measures. I would think that should be a bottom line in any instructions to the Government of Ontario in terms of their looking after this project.

As I mentioned earlier, Mr. Speaker, their monitoring program appears to be totally inadequate. They talk about checking the tailings effluent weekly; they talk about checking the water discharge from the area monthly; and they talk about checking the water in High Lake three times a year. They say that they will take remedial measures if contamination occurs and then there will be treatment. Well, Mr. Speaker, it's too late, after the fact, to have treatment if there's contamination. I would think the bottom line for the Manitoba Government, and that should be made very clear to the Ontario Government, that there must be no contamination of the Winnipeg water supply.

Mr. Speaker, even on the application for approval that is designed by the Ontario Ministry of the Environment they ask the mining company to indicate the proposed route to, and ultimate point of waste discharge. Mr. Speaker, they seemed to conveniently overlook that there will be waste discharge into High Lake; they simply answer that the waste discharge will be discharged into tailing cells. Well, Mr. Speaker, it certainly came out in the meeting last night that there would be some very

significant waste discharge from those tailing cells further on into the Lake.

The application to the Ministry of Environment also asks them to describe the facilities and precautions taken to prevent discharge of contaminants through the operations or by accident and, Mr. Speaker, they did not do that. They are using a dangerous chemical in the process — cyanide. And, Mr. Speaker, there are no precautions taken for an accidental spill of this chemical, certainly not outlined in the report.

Mr. Speaker, I have to give some appreciation to the Chief and Council of the Shoal Lake Indian Reserve for bringing this matter to our attention and being at the meeting last night and making a presentation to the meeting to indicate the kind of concerns that they had with respect to the dangers to the environment and to the water quality. It was Chief Herb Red Sky and his council from Shoal Lake Indian Band who were there making a kind of presentation which I would have thought that the Minister of Environment in Manitoba should have had his staff making. It's really a sad case, Mr. Speaker, when we see a Minister who is so cavalier about the environment and who is obviously just ignoring his responsibilities in respect to protecting the water supply of the City of Winnipeg.

Mr. Speaker, with respect to the engineering consulting firm that prepared the report for Eco Explorations Limited, a company which is applying for approval to establish the mine mill and waste disposal facility on the shores of High Lake, I don't think we can accept their report, their information, as a final word on the potential environmental dangers. I think that we have to have an independent environmental assessment review of this. I think there should be a comprehensive environmental impact study made on this proposed mine mill complex and the Minister should make this demand of the Ontario Government. He should make it very clear to them that as far as Manitoba is concerned we do not want any mine mill complex set up on Shoal Lake before there is an independent comprehensive environmental impact study done. And in view of the fact, Mr. Speaker, that this is the water supply for a city of over half a million people, it's too late after the fact to say: Oh, we're sorry we were wrong, we didn't do a proper assessment of this project. It's too late then, Mr. Speaker. We must know before and this is not such an overriding great economic project that some delay in its approval would be providing any great hardship to anybody.

At the meeting in Kenora, Mr. Speaker, as I mentioned, the Shoal Lake Indian Band were in attendance, the Kenora District Labour Council were in attendance and they both made it very clear that, although they were concerned about employment and they wanted development in the area for employment reasons, they were not opposed to development but, Mr. Speaker, they wanted to be assured that the proper environmental safeguards were in place. That took priority and I thought that was a responsible attitude on their part. They were representing the Kenora area and the residents that live in and around the Shoal Lake area and they were saying, sure we want jobs but the environment is more important, the environment must be protected. We don't want a mine established here

that's going to contaminate the area for the period of time that it's in operation and perhaps for dozens of years afterwards.

So, in this particular case, Mr. Speaker, we're talking about the impact on the water supply for, not only the people of Winnipeg but the people living in that area. I would think in the case of this Minister, he should be particularly concerned about the impact on the water supply for the people of Winnipeg and we have heard no concerns expressed on that side about this, in fact, the Minister did not take the opportunity to have his staff review this report before the meeting. He should have ensured that they had a copy of the report; he should have ensured that they went over the report, analysed it as much as they could and they should have been at the meeting requesting the Ministry of Environment to hold off on the approval of any application until there was a proper study done. Mr. Speaker, there was no word on that and, in fact, my impression from the meeting is that the staff who were there from our government were told: You are only observers and you are not to say anything at that meeting. The City of Winnipeg representatives who were there at least asked some questions and made some comments. They made the request in fact that they be allowed to comment on the process before it was approved; they were given a very vague commitment that, yes, we'll give you a couple of weeks to get your comments in to us. That's the impression I got from the Ministry of Environment official who was present. He felt, oh, yes, that's no problem, you send us your comments, as long as we get them within a couple of weeks.

Mr. Speaker, this is not something which can be assessed in two weeks. In fact the Ministry of Environment official who was there indicated that even with their approval process, they had started talking to this mining company in October and it was now March and they were almost at the stage of approving it, that's some six months that they've been looking at it. I rather criticize the Ministry of Environment official who was there last night for not having informed the Government of Manitoba sooner in view of the fact that this was the Winnipeg water supply that they were talking about. But he pointed out to me that they had made the advertisement in the press; it had been in the press for a week and the information was available to the Manitoba Government if they wanted to pick it up. Mr. Speaker, he indicated that they didn't pick it up, so I think the Minister has been disregarding his responsibilities in this regard.

Mr. Speaker, I think that it would be ironic indeed if the Province of Ontario allowed the establishment of a mine mill which would allow contaminants to enter the water supply system for Winnipeg when the case of the international waters, with respect to the Garrison Diversion project, when there's a concern over water quality, automatically the IJC clicks into action and we get an independent review of the activities of whichever party is proposing to change or impact the water supply. Mr. Speaker, in this case we don't seem to have any mechanism and the Minister doesn't seem to be concerned about putting into place some kind of a mechanism to ensure that Manitoba's concerns are dealt with and that all of the questions are answered and that people are assured that there's not going to be any deterioration in their water supply.

I think it's indicative, Mr. Speaker, unfortunately, of the attitude of the Progressive Conservative Government in Manitoba towards the environment. They just do not seem to have sufficient concern; they do not give it a priority. Obviously, they've gone through several Ministers now looking for somebody who would be an advocate for the environment; each one of them to date has been a disaster and, Mr. Speaker, this Minister seems to be following in the footsteps of his predecessors in that regard. (Interjection)— Well, Mr. Speaker, seeing that the Minister of Natural Resources is speaking from his seat, I would think that he should be concerned about this too.

**HON. HARRY J. ENNS (Lakeside):** I am, I've had sleepless nights about it.

**MR. BOSTROM:** Yes, well, Mr. Speaker, we certainly have not heard any words of concern from the Minister of Natural Resources. As far as I know there were no representatives of the Ministry of Natural Resources at that meeting last night. High Lake happens to be a water that carries over on to the Manitoba side of the boundary. In fact, I am informed that the Manitoba Department of Natural Resources has stocked trout in that lake and, Mr. Speaker, I would think, if for no other reason, even if the Minister of Natural Resources is not concerned about people and about water supply, maybe he should be concerned about the fish and he should be seeing if this mine mill complex will impact on the water supply so as to provide a deleterious effect on the fish. Mr. Speaker, just thinking about that and thinking out loud for a moment about that, the Minister may be able to impose upon the Federal Government to invoke The Fisheries Act in terms of protecting the environment in that area because I believe there are fairly wide powers under The Fisheries Act, for the Federal Government that is, and the Minister of Natural Resources could play a role here in protecting the interests of Manitoba and assisting his colleague who doesn't seem to be very concerned about this matter. The Minister of Natural Resources could ask the Federal Government to ensure that the fish population in that lake is not harmed and in so doing he could protect some of the residents of Manitoba from having harm done to their drinking water.

**MR. ENNS:** I spoke to the Minister yesterday in Regina about that.

**MR. BOSTROM:** You did, that's very good. Mr. Speaker, I think that this matter goes beyond this particular mine mill complex and that is why we are highlighting it because this is only one small mine that is being proposed on the shores of the High Lake-Shoal Lake area. But, Mr. Speaker, I'm informed that there is another mine being proposed on an island in the middle of Shoal Lake and very possibly there are other developments around that lake which could impact in the future on the water supply in that area. So, Mr. Speaker, I think we should be very vigilant and make sure that each one of these as they come on stream are looked at and analyzed in terms of their impact on the total picture, in terms of their impact on the totality of the water system. I don't think that we can look at this as just

one small milling complex that may not have a very significant effect because, Mr. Speaker, it may be that this is only one of many that will be approved over the next several years which will impact on the water supply system of Manitoba. One alone may not have a great significant effect but taken in totality a number of them may have a very serious and disastrous effect.

This is the kind of thing that I think possibly happened on the English Wabigoon River system and I think that point was made very well by Mrs. Lamb who was at the meeting last night who personally suffered the results of the lack of attention and the lack of vigilance on the part of the Ontario Ministry of the Environment and the Ontario Government, in general, with respect to that water system. She was telling me that she did not in any way trust the water quality or the environment in the hands of the Ontario Government for good reason.

So, Mr. Speaker, I think the bottom line is that we have to say to the Province of Ontario, to the Government of Ontario, that for the protection of the people of Winnipeg we must oppose any proposed project which has the possibility of contaminating the water supply and this includes any projects which cannot give an absolute guarantee against accidental spills or flows of contaminants into the water supply. If the project has any danger of accidentally affecting the water system it must not proceed; that is our view. Mr. Speaker, in that regard I believe that the Minister should immediately take action to demand that there be a full environmental impact review of this project, an environmental study which would be done by an independent authority . . .

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

**MR. BOSTROM:** Thank you, Mr. Speaker, I'm concluding my comments. I would simply say that it seems very ironic that when this government was approached some 12 months ago, 12-13 months ago, to provide the Shoal Lake Band with the opportunity of having access across Crown land to an area where they wanted to develop cottage lots on Shoal Lake, which could have been of some recreational benefit to Manitobans, some Manitobans, in fact I think they were even prepared to negotiate on giving up a portion of shoreline to the Manitoba Government in return for their giving access and providing assistance on the road building into the area, Mr. Speaker, the Manitoba Government was very tough with that Indian band and they said, we're not giving you access even across Crown land; we're not giving you access even across . . .

**MR. ENNS:** That's not true. We said we'd check with the city first.

**MR. BOSTROM:** Mr. Speaker, I will wait to see if I am corrected but my information is that they refused to give the Indian band even access across the Crown land until such time as there was an environmental impact study done. At the same time, Mr. Speaker, this government was informed by that Indian band in the negotiations that were taking place; why are you asking us to do this comprehensive environmental review, this

environmental study, when there's a proposed mine going to be opening up in this area which could be pouring contaminants into the very waters that you're concerned about and you're not saying anything about their having to do a comprehensive environmental impact study.

Mr. Speaker, you can't have it both ways. If you're going to require the Shoal Lake Indian Band to have an environmental impact study done on their cottage subdivision, which I'm not arguing with, I think that's a legitimate request if it's going to be fair to everybody, if everybody who is going to impact on the water supply of the City of Winnipeg are going to have to do the same thing. I'm saying in this case, Mr. Speaker, that the Minister has been negligent in his duties because in the one case the government is proposing that the Indian band do the environmental impact study; in this case they are prepared to rely on the mining company; it appears they are prepared to rely on the Ontario Ministry of the Environment and I say that both of those are not the ones that we should be relying on, we should have an independent study of this. Mr. Speaker, all you have to do is look at the controversies arising from recent actions of the Ministry of the Environment in Ontario and you see that controversies have included a Ministry decision to build the province's major disposal site without holding Environmental Assessment Act hearings. Hundreds of exemptions have been given to their own Act which they have passed to protect the environment in Ontario.

The acid rain menace, critics say the Ministry have been slow ordering polluters to reduce the smoke from those that are producing the acid rain problem. Pesticides, the Ministry was reluctant to ban 2,4,5-T contaminants with traces of dioxin and, Mr. Speaker, the list goes on and on and we know that the Ontario Ministry of the Environment does not have a good record for protecting the environment. We know that the Manitoba Government, over its three-year history, has had an absolutely disastrous record of protecting the Manitoba environment. So, Mr. Speaker, we can't trust the P.C. Government in Manitoba and we can't trust the P.C. Government in Ontario to protect our environment and that's why we're demanding that there be an independent comprehensive economic impact study done on this project and any other project that's going to impact on the water supply of the City of Winnipeg.

**QUESTION put, MOTION carried** and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair for the Department of Finance; and the Honourable Member for Virden in the Chair for the Department of Health.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY — HEALTH

**MR. CHAIRMAN, Mr. Morris McGregor (Virden):** I call the Committee to order. We left off at Line 2, Personal Care Home Program — pass — the Member for Transcona.

**MR. PARASIUK:** I believe that I had asked the Minister a whole set of questions regarding the

inspection procedures and what was happening at the Personal Care Home at St. Adolphe. Since that time I went out there, I spoke to residents there, I spoke to workers there, I spoke to the local parish priest who I'm quite certain has no axe to grind at all, but is concerned about the quality of care for the patients. He's been there for two years. Some of the things he told me staggered me. He said that there have been certain rooms that have not had heating for as long as he has been there; that auxiliary heaters were required; that as a result circuits were being blown by auxiliary heaters; that there were six rooms that had water leaking into them. A woman called Mrs. Boucher refused to pay rent until she got her room patched up; people weren't sure whether it was patched up fully; just what I'd call horror story after horror story was recited to me.

What surprised me is that if the conditions . . . Then of course we have the report of the Workplace Safety and Health inspector which said that the work order had to be complied with by February 19. The work order certainly hadn't been complied with as of yesterday morning. There were at least three broken windows that I could ascertain; one on the second storey of the home facing north beside the elevator had been broken for at least six months; in fact one of the patients had cut his hand on the broken window some time ago and the window had not been repaired. So if the conditions aren't safe for the workers as the Workplace Safety and Health report indicates, the fact that at least one patient had cut himself on one of the broken windows indicates that if the conditions aren't safe for the workers, then surely they aren't safe for the patients.

So I think it's not enough for the Minister to say, well that's a matter pertaining to the Minister of Labour. Surely if conditions aren't safe for the workers, they're not safe for the patients either and that comes back to the whole question of inspection and inspection procedures. I had people tell me again yesterday as they have told me in other personal care homes that I have visited when I've asked them the question, do you have any knowledge of when a government health inspector is coming around to inspect the premises? And their answer has been always, yes.

So I think we have some very serious questions to raise with respect to the whole inspection procedure, not only with respect to the St. Adolphe Home because this is a crisis that exists right now, but with respect to inspection procedures generally. I know that the Minister and the Minister of Labour did send out three new faces yesterday at 12:30, they came in at 12:30; one was from the Fire Commissioner's office, one was from the I think Workplace, Safety and Health Division of the Department of Labour and one was another inspector from the Manitoba Health Services Commission. I assumed that the Minister has been able to receive a report from these three special inspectors sent out in response to our questions and I hope he can answer us. I hope as well he is in a position to indicate whether his inspectors have received any reports from the nurses about their situation, if in fact they have received any work orders or work files, whatever the specific name is given to a procedure whereby a nurse in a facility tries to inform the owner and other authorities

of the fact that their situation is overloaded and they can't cope. My understanding again through the parish priest is that that in fact is the situation. My understanding in terms of talking to some of the nurses, that is the situation, that they have tried to pass those reports on to Mr. Brousseau but he has not acknowledged them. So I think they are trying to take other action. I would assume that a normal thing for them to do would be to pass on these reports, these complaints to the Manitoba Health Services Commission.

**MR. SHERMAN:** Mr. Chairman, the Member for Transcona has asked a number of questions with respect to the St. Adolphe situation in the course of the current week that have not been addressed in the Committee as yet, although some of them have been raised during question period of the regular sittings of the House this week.

Prior to the Committee's rising on Tuesday night, the Member for Transcona had asked a number of questions that were placed on the record to be answered by the Minister if possible at the next sitting of the Committee and he's raised a few more today and I'll attempt to deal with them briefly as possible. It may be that some things have already been said during the course of question and answer exchanges in the House, so I may not expand as fully as might otherwise have been the case, Mr. Chairman. All I can do is attempt to respond to the honourable member and see where we go from there.

In the first place I want to say in response to him and in response to the Honourable Member for St. Boniface, that I am deeply concerned about the situation at St. Adolphe and if that were not so we would not be, through the Commission and under my express instructions, monitoring that situation on a virtual round-the-clock basis. We would not be sending Standards Division officers and inspectors from the Commission into those premises on a virtual continuing basis at the present time if it were not that I am deeply concerned and the government is deeply concerned with the situation. But let me try to put the thing in perspective for a moment without being too lengthy about it.

My responsibilities as Minister of Health are to ensure that the welfare and well-being and care and safety of all Manitobans who come in contact with our health services, is maintained at a level of acceptable quality; that level of quality being the one to which all of us on both sides of the House aspire and to which Manitoba has become used, and which certainly compares with any, anywhere in Canada.

The residents of the Personal Care Home at St. Adolphe of course are entitled to treatment and environment and conditions in their setting, in their premises, that meet those objectives. That is my primary responsibility as Minister of Health. It is not my primary responsibility to try to resolve industrial disputes.

It's unfortunate and regrettable that the staff, the non-professional staff at the St. Adolphe Nursing Home, has found it necessary, in their view, to effect a work stoppage and leave their jobs in order to achieve what they perceive as their legitimate ambitions in terms of wages. I'm not going to argue that point; they have their position, and it's a perfectly legitimate one. But that is not my

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responsibility; that is their responsibility. They chose to leave their jobs and go on the picket line in search of higher wages. My responsibility is to ensure that in those circumstances, that health care and nursing care is maintained in that facility. We have attempted to do that through the inspection procedure that I've referred to.

**MR. PARASIUK:** Without debating, could I just ask the Minister just for a point of clarification of what he just said, is he saying that is a strike or a lockout? My impression is there was a rotating strike for one day and that now the staff are locked out.

**MR. SHERMAN:** Well, I deliberately — maybe it's semantics — but throughout this situation I've deliberately avoided using the word "strike"; I've called it an industrial dispute. I don't want to refer to it as a strike. There was a work stoppage which has escalated into a serious industrial dispute in which the workers now find themselves, in most instances, unable to return to the jobs they had; perhaps it's incorrect to say, in most instances, in some instances. I think that a considerable number of the workers, perhaps the majority of them, have been ensured that they can have their jobs back, but I understand some of them have been told they won't be welcome back. So it's a little difficult, I guess, to be precise in language on this thing but, for the sake of simplicity, I simply refer to it as an industrial dispute.

In any event, the effects of it have been effects that naturally influence the atmosphere and the environment in the nursing home. That of course has ramifications for the residents and that's where my concern comes in, and that's why we've had inspectors assigned to monitor the situation virtually around the clock.

Now the Honourable Member for Transcona has asked me about the methodology of inspections and visits by inspectors to personal care homes and has inquired as to whether they are announced or unannounced. The answer, Mr. Chairman, is both. Certainly a great many inspections are announced ahead of time, beforehand, because one of the obvious yardsticks for measuring situations and conditions in health facilities is conversation with key personnel, key staff at those health facilities, and it's necessary to ensure that those certain personnel will be available when the inspectors go out in order to ensure that they can discuss matters with those personnel. Further to that the question of distance and travel comes into it. If inspectors are going in to look at something in a health facility in Winnipeg it's somewhat different from going into a rural facility where there is travel and distance involved and they want to be sure that the people who they want to talk to are there. So, for the most part, Mr. Chairman, I would have to say to the honourable member that inspections are scheduled and pre-announced but emergency inspections, or special circumstance inspections, are not prescheduled or preannounced. When special circumstances warrant and specific problems have arisen, unannounced visits and inspections are made and they can be made at various times of the day or evening and at various times of any day or evening and this is in fact what has happened in connection with St. Adolphe. We have, through the Executive Director of

the Commission, requested of the Standards Officers that they carry out ad hoc inspections. I'm assured that that has been done in the case of St. Adolphe.

I'm also assured that there has been conversation, discussion and communication between those officers and between the workers who are on the picket line. Now I certainly have the impression from a discussion that I had with various of the workers and the picketers in the corridors of this building half-an-hour ago that, from their perception, they have not had conversations with the inspectors, because I put that question direction to them, whether they had put their complaints to the inspectors. I think the answer was in the negative or the answer was that the inspectors hadn't talked to them or weren't interested in talking to them.

Well, Mr. Chairman, I am fully aware that the Honourable Member for Transcona and the Honourable Member for St. Boniface are attempting to portray a situation as truthfully and as honestly as they can, as they see it and as it has been reported to them, and I simply want to say that I am in exactly the same position; I am attempting to report on a situation as truthfully and as honestly as I see it and as it is reported to me. It probably doesn't shed much light or pave the way for very much resolution of this problem for either one of us, either party, to cast doubt or suspicion on the other party's comments or remarks because I think a sincere effort is being made to report on the facts. I'm advised by the commission inspectors that they have had conversation with the picketers; that they have talked to them while going into and out of the St. Adolphe premises. I just wish to make that point. I suppose all it does is illustrate once again that judgments of this kind are subjective and one person's sauce is another person's poison and it all depends on the perspective from which you come and I suppose the interpretation you put on it but attempts certainly have been made by the inspectors to get the whole story.

Further to that my office has talked to the physician at the St. Adolphe Nursing Home, Dr. Miller and I'm not going to put words into Dr. Miller's mouth but I can assure you that we have talked to him. My reports are as I have reported them, that the atmosphere is by no means ideal. I don't think there ever was a health facility where there's upheaval of that sort taking place, but that the standards of nursing care that are required by the Commission are being met. Now that is not to say that there aren't difficulties. When you've got an untrained, unoriented staff, when you've got a professional staff that is going the extra mile, indeed the extra five miles, to keep things operating properly, and is overworked, and is under emotional pressure, and is exhausted by the circumstances that its members find itself in, and you've got elderly persons who are disoriented because they see strange faces in front of them, there are obviously going to be specific situations that are less than ideal by some considerable distance.

But then we have to consider the two other aspects of the question, Mr. Chairman. Does the Minister of Health move in an arbitrary, unilateral way to remove those residents from that nursing home? If he does, he has to consider three things: One, the relocation of those residents, with nursing

care, in a different facility; Two, the impact of movement, transfer of that kind on elderly persons, and I think the Member for St. Boniface is fully familiar with that situation, because both he and I have gone through it, moving elderly residents out of one facility into another. You do that at your own risk. Mr. Chairman, any Health Minister does that at his own risk, and he's very very fortunate if he can do it without loss of life, because of the trauma involved; Three, I'm not the Minister of Labour, but I'm a Manitoban like the Member for Transcona and the Member for St. Boniface, and I've got to consider the staff, the workers who are out on the picket line. I can assure the Honourable Member for Transcona that if we were to close down the St. Adolphe Nursing Home and transfer those patients to a different location, even if we weren't to close it down, if we were simply to transfer them to a different location, that the situation, the future prospects for the employees of that home, would be very cloudy indeed.

We're really wrestling with all three of those imperatives. The ideal solution would be to get that industrial dispute resolved. I'm urging my colleague, the Minister of Labour and he, through his office, is doing all he can to effect that and achieve that. In the meantime, all we can do is lay on the operator the orders for improvement in physical plant and maintenance. We've been assured by him that they are being carried out, that some of them have already been completed, and some of them indeed, Mr. Chairman, although some were relatively serious, many of them were indeed minor, indeed minor. I think perhaps some overemphasis has been placed on some of them.

I doubt that there are very many facilities or institutions anywhere in the province, notwithstanding our efforts to keep them at peak physical levels, can claim that there aren't from time to time, minor maintenance and repair problems facing them, that have to be undertaken and that are undertaken. Unfortunately, some are quicker to act on them and respond to them than others. We have not had very much co-operation, I don't mind saying that for that record, until very recently from the St. Adolphe Nursing Home in this respect. But I have been assured in the last few days because of a strict, firm and final order that they are being carried out and a great many of them are completed now, there are one or two still to be done.

I don't know what else I can add to that, Mr. Chairman, other than to say that we continue to require reports night and day from our Standards Officers on the situation. If indeed there is a consensus that nursing care is not good enough, is not adequate, then I'll have no hesitation in taking whatever action needs to be taken, but I just want all members of the committee to appreciate the consequences of that action. There are three consequences and I have pointed them out.

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

**MR. DESJARDINS:** Mr. Chairman, yes I'd like to participate in this debate. In view of the fact also that I ask questions and the way I asked questions of the Minister today.

The Minister is somewhat like a Jekyll and Hyde. In committee the Minister asks for co-operation; he

seems to be very sincere, I don't doubt his sincerity; he wants understanding; and he wants to work together and sometimes he's quite flattering, but it's a different situation in the House. The Minister said today that he has no doubt, he wanted us to be convinced that he was sincere and I tell him right now that I'm convinced of that. Then he told us that in turn he felt that we were honest in our questions, the way that we felt and the way it was reported to us, but that's not what he said yesterday — not about me but about my colleague from Transcona. That is not what his colleagues are saying. We are at a very much of a disadvantage during the Question Period. We try to bring something up and that's usually where everybody is interested because that's where the press is at all times and the T.V. and everything. Let's not be naive, there should be an election within a number of months and for some it's very important.

I resent the fact that every time I ask something or any of my colleagues that automatically we are alarmists, defeatists and it is our responsibility. The Minister has a very poor memory if he can't remember how rough he was and less co-operative than he was, way less than we are now. Maybe I should become the Minister of Health again and he comes into opposition and having been there like I have he will understand more. He'll be more sympathetic than he was when he was in opposition.

To refresh his memory let him read what he said about me and in the same situation what he said about the Minister of . . . What's the matter?

**MR. CHAIRMAN:** I've got instructions from the Clerk's Office to have the committee rise at 4:00 to accommodate the Royal Assent, I believe, on Bill 15 and I think the understanding is that we will not be coming back in here after that. We'll be going to Private Members' Hour I believe and be returning at 8:00 o'clock.

Committee rise.

## SUPPLY — FINANCE

**MR. CHAIRMAN, Mr. Abe. Kovnats (Radisson):** Committee come to order. I would direct the honourable members' attention to Page 58 of the Main Estimates, Department of Finance. Resolution No. 61, Clause 1. General Administration. Item under discussion is (b) Executive, (1) Salaries — pass — the Honourable Member for Lac du Bonnet.

**MR. USKIW:** Well, Mr. Chairman, I want to pick off from where we were in debate the other day where the Minister failed to respond, at least in my opinion failed to respond in a way which would have indicated to the people of Manitoba just what their economic policy thrust is going to be. It seems to me that the Minister was unprepared for that kind of question because he got back into issues of yesteryear, got into the question of who did what when and who benefited from and whether it was good or bad, going all the way back to involvement of the Government of Manitoba through the MDC and a number of ventures in the several years during our period of government, but he did not outline, Mr. Chairman, for one moment the economic philosophy and the direction that his government is going to take, and in particular what kind of fiscal policy they

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will employ to deal with the present economic conditions.

Now, Mr. Chairman, it seems obvious to all of us, certainly to the people of Manitoba that we are indeed in very difficult times, economically speaking, and that there has to be an address made to those questions that are in fact beleaguering many business people throughout the land and certainly Manitoba. The statistics in Manitoba certainly are not something to be proud of and they ought to be dealt with forthrightly. It's certainly part of an international, certainly a continental situation, but if you look at Manitoba's statistics they tend to emphasize the negative economy that exists all around us. The depopulation that has taken place, the whole host of bankruptcies that are now taking place where Manitoba is relative to the rest of the country on that question.

So, it seems to me that it is not good enough, Mr. Chairman, to talk in terms of this being a shake-out period as the Conservative policy always has indicated before that during weaker times, economic times, that it's a time to shake out the weak sisters in the economy and you end up with the strong ones.

Well, Mr. Chairman, there are more than weak sisters in the economy that are in trouble and one of the major contributing factors, of course, is the high interest rates that are being paid by every entrepreneur in this province and indeed in this country. You know, interest rates approaching 20 percent can have no other effect other than to cause a great deal of harm to the whole of our economy through the series of bankruptcies that result therefrom. We haven't heard one word of where this government is going on the question of interest rates. Now it seems to me that this government along with the other Premiers of Canada ought to be pushing Ottawa hard for an economic conference. They are currently preoccupied with the question of confrontation in the Constitution and the economic questions have been set aside for the time being. Mr. Chairman, I don't accept for one moment that the federal preoccupation with the Constitution at this time is a right preoccupation either, but at the same time, Mr. Chairman, I don't believe the provinces are doing what they ought to be doing relative to the needs of the economics of this country, by also dwelling on the same subject and by taking the court action that has been under way.

It seems to me, Mr. Chairman, that the provinces would be better off to recognize that the Government of Canada is indeed determined to put the constitutional measures through and that rather than take a negative position on the question, they ought to at least give a position indication that if the Government of Canada were prepared to bring the Constitution back without amendment, that they would give their commitment that within a time frame they would agree to a new package in Canada. And anything short of that kind of commitment, Mr. Chairman, is irresponsible on their part and I fault them for it.

I have no problem in agreeing with them on certain aspects of their position, Mr. Chairman. I happen to prefer, personally, a Charter of Rights outside of entrenchment, quite frankly. I have no problem with them, but surely, Mr. Chairman, they can take the position vis-a-vis the Government of Canada that

they are prepared to give a commitment that within a year-and-a-half we will have a Constitution made in Canada come hell or high water, Mr. Chairman, and that commitment should be binding and we should get out of the process of the courts that we are now in.

It seems to me if that kind of a commitment were made the Government of Canada, the Prime Minister, might be willing to concede. Perhaps I am too optimistic but at least one could not fault the Premiers for having made the attempt and if in vain then we know where we stand, Mr. Chairman, but at least the attempt should be made.

Mr. Chairman, if we could deal with that question in that way, it seems to me that we would be back to the issues that are important to most people in Canada and those are the economic issues. It seems to me, Mr. Chairman, that there is a need for a national economic plan in order to come to grips with the high unemployment and the high interest rates that are affecting Canadians so adversely. It seems to me, Mr. Chairman, that the Minister of Finance or the Premier could have announced an economic plan for the Province of Manitoba having taken into account these very serious questions. It seems to me that that is the only way that there is any hope of economic recovery and that is if the province was prepared to undertake certain measures in co-operation with the private sector in the Province of Manitoba to bring about a reversal of the economic decline that we are now witnessing.

It seems to me, Mr. Chairman, that one of the ways in which this could be achieved would be through the establishment of a, call it what you will, an economic council or economic and productivity council, a council that would be an advisory body to the government, a council that would be made up of management people, of capital and of labour people and government in order to depart from the old system, Mr. Chairman, of allowing the private sector to do its thing without the involvement of government but rather to get into a more co-operative system, a partnership arrangement as between government, management and labour as to how we can put our economic package together in order to deal with those problems.

Mr. Chairman, I don't believe anything short of that approach is going to work because it certainly has been demonstrated that it doesn't work anywhere in the world. And so we have to take a look backwards to see where we come from, Mr. Chairman, in terms of economic policy and then we have to decide on where we want to go. And this Minister has not enunciated that, neither has the First Minister. We are now into the third month of the Session and we don't know what government economic policy is, government economic thrust is for the Province of Manitoba. Well, Mr. Chairman, I'm saying that we don't know because the government hasn't told us. They are not prepared to tell us because they haven't thought it through, Mr. Chairman. They are not prepared to take an interventionist attitude into the economic affairs of this province.

It seems to me, Mr. Chairman, that one of the obvious things has to be that government should make a thorough review, not only government, all of us in society, should make a thorough review of traditional profit and wage settlement systems. You



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know, it's all right to say that we have gone along for so many years with the adversary system in the management and labour question, Mr. Chairman, but I'm not sure that there isn't another road, another way in which that question could not be addressed, or could be addressed. It seems to me, Mr. Chairman, that government could invite the people involved with the capital of this province and the people involved with the production capacity, and that is the labour movement, into a consultative process that would result in a greater degree of economic stability that perhaps would question the old leapfrog system of wage settlements even. I'm not sure that anyone wants to get hung up on the past practices of one-upmanship. But it seems to me there is some responsibility on this Minister to be able to pull these things together, not this Minister but this government, this Minister is only one part of the government, to pull these things together in order that we have a greater degree of equity as between various sectors, various wage groups in our economy in the Province of Manitoba.

What we are witnessing, Mr. Chairman is a greater disparity and this government has accentuated that disparity by cutting back, Mr. Chairman, on the programs that were intended to try and bring about some level of redistribution of wealth in order to maintain some relationship as to the lower wage income people and the higher wage income people and so on.

So, there is no policy, Mr. Chairman, and this government is not attempting to bring one about. I think one has to examine the fact that in a wage management process of negotiations for new contracts one must recognize that there are always two positions put forward; one by management and one by labour, Mr. Chairman. But what we must recognize is that they are both vested interest positions. There is an attempt to extract something, one from the other, and that the public interest is usually the last consideration, Mr. Chairman. That is something that happens that way simply because we haven't attempted to put together a more co-operative approach to that question.

Now, I don't fault the members opposite alone, I believe that it's true that we also have had the same failings and we have accepted the fact that the adversary system is the only system that can ever be and for that, Mr. Chairman, I would have to agree that before the Minister suggested to me that perhaps we were at fault too, but it seems to me now is a good time to look back on the process and try to come up with a new approach to those age old questions.

Mr. Chairman, I don't believe that the traditional New Democratic Party position is a sacred cow, I don't believe it's a sacred cow. I have never believed that any position is there for all times and it seems to me, Mr. Chairman, that New Democrats, not only Conservatives, ought to review where they've been and where they are going from time to time, and in that connection I happen to be one of those, and always was one of those, who didn't truly like the concept of affiliation within our political party with the labour movement. That has never been a comfortable arrangement for me, Mr. Chairman, but we have had it since 1961, since the founding convention. It seems to me, Mr. Chairman, that we

could have and have learned from that process, and as a member of the New Democratic Party I have no problem in reflecting back and determining whether or not that process was good, bad, mediocre, whatever and rethinking our position, whether or not that is the way in which we ought to continue.

Mr. Chairman, I believe the New Democrats would be wise to reassess that relationship after 20-odd years. I see nothing wrong with that. I think that would be a healthy process. The same as I am suggesting to the Government of Manitoba that their anti-labour stance ought to be reassessed in a more positive vein. That indeed, that the whole business of the production of new wealth has to be a co-operative effort, as between labour and management and the public sector.

So, Mr. Chairman, these are the kinds of things that are glaring at us and no one is taking the responsibility to deal with them and this is a shortfall, I believe, of this government that should not go unnoticed. It seems to me, Mr. Chairman, that the Government of Manitoba should take into confidence those people in the labour movement that have their axe to grind; they should take into confidence those people in the management sector that have also their interests and they should try to pull together those resources in order to come up with the kind of co-operative system that hopefully will not, while they will not be perfect, Mr. Chairman, but will get us away from the old battle-grounds of action and counteraction, strikes and threats of strikes, regardless of the consequences.

It seems to me, Mr. Chairman, that we are living in a period where we must not shrink back from our responsibility in trying to change what has been taking place into a more modern new approach towards labour management relations and towards the question of how government is involved in those relations.

I don't think it's good enough anymore, Mr. Chairman, to suggest that we take a hands-off approach to disregard the impact that these questions have on the rest of the economy of this province; to disregard the fact that, if you have very significant leap-frogging in settlements; that there has to be either adjustments made in other sectors of the economy that have no ability to adjust themselves, or to have some mechanism which would result in agreement on the part of government, labour and management on how far we can go with respect to settlements; some kind of a mechanism that would provide us with some guideline, wherein we would have a handle on what is possible within the economic conditions of this province with respect to profits, with respect to wage settlements. You have to take the whole ball of wax and come out with a policy that is designed for the betterment of the whole community, not for the betterment of one side or the other, Mr. Chairman. I have to admit, Mr. Chairman, that you know, we have problems in our particular party, as you do. Hangups on your side have to do with everything that capital does is good, hangups that some of our people have, and I'm happy to say it's a small element, that anyone that has any entrepreneurial skill is somehow a bad person. That is ridiculous too, Mr. Chairman. (Interjection)—

Well, Mr. Chairman, the Minister suggests that was my own thoughts at one time. They were never my

thoughts, Mr. Chairman, because I happen to have had a long period of association with people who were of that type, who liked to invest dollars into businesses, liked to make some money, and employed people, as well as I have also worked very closely with those that have produced the wealth, and that is the workers of this country. That is a shortfall, Mr. Chairman, that the government opposite has and that is that they fail to admit, I know they recognize, but they fail to admit that the true wealth of the nation is related to the amount of production coming out of the workers of the nation. That is the source of all wealth.

So when you look at this in its full context, Mr. Chairman, you have to always appreciate the fact that whatever deal is made between labour and management and government, you have to do it in the context and in the knowledge that new wealth is created by people's productivity. It is not created by capital alone. Capital is merely a vehicle, but new wealth is created by actual production, by the putting to work of tens of thousands of people. That's where we get the wherewithal through which we continue to prosper and build on our standard of living. One of the things that members opposite fail to recognize in that connection, Mr. Chairman, is that the labour element is indeed, one of the most, in fact the most important element in this process.

Now that doesn't mean to say, Mr. Chairman, and this is where I want to make a point, that I believe that organized labour ought to have a dominant role with respect to any political party, including the New Democrats, yes. I have never accepted that theory, Mr. Chairman. To the extent that from time to time it does show up, that they have exercised, in the minds of some people, some excessive pressure within our political party, Mr. Chairman, I have no problem in pointing out that I don't like it when it occurs. I believe that as far as the New Democrats are concerned, —(Interjection)— I know the Attorney-General is trying to have fun with me, that we probably would be better off without an affiliated arrangement politically. I think that's a realistic position, that we probably would be politically better off without the affiliated status of the trade union movement within the New Democratic Party.

But I also believe that there are benefits to be gained by the trade union people, by not being directly affiliated with any political party. That happens to be my viewpoint today, and it has always been my viewpoint. (Interjection)— So, Mr. Chairman, no, the Member for Rock Lake suggests that somehow I'm not in my proper place because of those views, Mr. Chairman. That is a very narrow definition of one's participation in the political process, because I'm certain, Mr. Chairman, that the Member for Rock Lake is not at all convinced of every policy position that his government brings about. No question, Mr. Chairman, that when the government lays down a policy and the whip is on, that the Member for Rock Lake has the choice of sitting in his seat and voting for whatever is before him or not bothering to participate whatever, but he's not in a position to challenge it at that particular time. He may challenge it in his caucus room. Yes, he could challenge it there and that's legitimate. But, Mr. Chairman, once a decision is made, he knows that the process is such that he is bound by it, very

much the same as all of the members on this side are bound by whatever the caucus decides on our side. That's to be expected.

But, Mr. Chairman, let it not be said from anyone, Mr. Chairman, that the political process as we have experienced in Manitoba in the last decade or the last couple of decades, is one that ought not to be reviewed and looked at. I say that for the benefit of our political party on this side as much as I am saying it for the benefit of the members opposite, that nothing, as the former Premier used to say, is engraved in stone, that policies have to change in accordance, Mr. Chairman, with the times, and that any political party that doesn't have that flexibility will become an extinct species in a matter of time.

So with all due respect to the members from the other side who like to link our party with certain policy positions of past years, Mr. Chairman, I want to point out to them that is irrelevant in terms of the needs of today, and the fact that party policies have to evolve and change on an ongoing, daily, annual basis; no question in my mind.

So, Mr. Chairman, I would like to hear from the Minister of Finance just what kind of a package is he putting together with respect to dealing with high interest rates, with respect to dealing with bankruptcies as a result of those interest rates. What is the government intending to do? It seems to me if he had some mechanism that would assist him, then at least we would have the global picture before us, we would know that there is going to be \$200 million or \$400 million or \$700 million or \$800 million that was going to be invested in Manitoba in new capital expenditures, we would know that creates so many jobs, and we know that we have so many more to create, and we could then deal with it from the point of view of fiscal management as to how to fill that gap, Mr. Chairman, so that we don't have from time to time high periods of unemployment so that we can modify, if we can't prevent, the out migration that we have witnessed over the last two or three years in this province.

Now that capacity, as far as I'm concerned, is not available to the Minister of Finance, it is not available to the Premier of this province, because of a hangup on their ideology, and that is that we're going to leave it all to other people to make the decisions. The economic decisions are not going to be made by the Government of Manitoba or the people elected, but are going to be made by private entrepreneurs, notwithstanding their effects on the total economic climate of this province. That is the flaw in their mode of operation, Mr. Chairman.

It seems to me that the Minister of Finance should be in a position today, to say that we know that there is going to be \$2 billion of capital expenditures next year, or in the next two years, and these are the areas of expenditures. List the corporations that are going to bring in new capital, to create new momentum, —(Interjection)— Yes, five-year plan, I have no problem with that, Mr. Chairman, but certainly a one-year plan. You know, the Attorney-General is talking about a five-year plan. He doesn't have a one-year plan, Mr. Chairman. All the Premier does is shrug his shoulders and talk about Marxism whenever someone suggests the idea that the government ought to be involved and accept the responsibility for what is taking place in the

economic conditions of this province. But no, that is not the posture, Mr. Chairman.

They are allowing the depopulation of this province to carry on, Mr. Chairman. They are ignoring the fact that the interest rates of today are such that are unbearable to most businessmen. Mr. Chairman, there are some policy options that the Government of Canada has in this area. But heavenly days, I haven't heard the club of — is it now seven or eight or six — I don't know what the club is. (Interjection)— It's eight now. Well, whatever it is. I haven't heard them argue with the Government of Canada that there ought to be a change in policy with respect to interest rates in Canada. What is the Minister's position on interest rates? What is his recommendation to the Government of Canada, Mr. Chairman?

**MR. JORGENSON:** When I've got money in the bank I want them to be high. When I'm borrowing money, I want them to be low. That's my policy.

**MR. USKIW:** You know I recall not too long ago, reading an article written by Professor Bellan, where he argued the proposition that it is not a bad trade-off to impose exchange controls, that yes, our dollar may fall by one point or maybe one-and-a-half, but in overall terms, that act would be beneficial to Canadian businessmen and to the Canadian economy. Now I don't know whether he's right, Mr. Chairman. I happen to respect the fact that he's a learned person and has studied in this field and there are others, Mr. Chairman.

But certainly you would think that the Premiers of this country would sit down with the Government of Canada and look at the question of current interest rates as a disaster as to its effects on the people of this country, whether it is in the area of entrepreneurship, or whether it's in the area of the cost of mortgages on their homes. In either event, it is a disaster for the people of Canada.

To sit there and not be able to answer one of these questions, not to indicate what the government's posture is, or policy is, not to be involved vis-a-vis the Government of Canada on this question at a time when tens of thousands of people are in serious financial difficulties, Mr. Chairman, is irresponsible, to say the least. I know the Member for Inkster the other day tried to goad the Minister of Finance into a statement, and got nothing, except Saunders Aircraft, Flyer Coach. What has that got to do with 18 percent interest rates that have been with us now for almost two years, on an off and on basis. (Interjection)— Yes, that's right. The Member for St. Vital is correct, double-digit inflation, oil prices, the whole gamut of national issues have not been dealt with by this government in any meaningful way. They have not represented the interests of the people of Manitoba, Mr. Chairman.

**MR. CHAIRMAN:** (1) — pass; (2) — pass; (b) — pass; (c) Administration: (1) Administrative Services (a) — pass; (b) — pass; (1) — pass; 2. (a) Salaries — pass; (b) — pass — the Honourable Member for Lac du Bonnet.

**MR. USKIW:** Mr. Chairman, I wonder if the Minister could give us an explanation as to the increase of expenditures in that area.

**MR. RANSOM:** I wonder, Mr. Chairman, if you could just advise me as to which point you travelled there.

**MR. CHAIRMAN:** We are on Item (c) Administration, (2)(a) Salaries.

**MR. RANSOM:** Mr. Chairman, there are some increases in the salaries of course being paid and there was another person recruited within that area I believe. The members will notice that the increases for salaries generally are greater in the Estimates this year than last because of the two-year salary agreements so that the actual figure is known.

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

**MR. USKIW:** Mr. Chairman, the overall increase in the expenditure is about \$120,000 for that item so it must involve more than just one salary, one additional staff person.

## ROYAL ASSENT

**ACTING DEPUTY SERGEANT-AT-ARMS (Mr. John Wilson):** His Honour, the Lieutenant-Governor.

His Honour, F. L. Jobin, Lieutenant-Governor of the Province of Manitoba, having entered the House and being seated on the Throne, Mr. Speaker addressed His Honour the Lieutenant-Governor in the following words:

**MR. SPEAKER:** May it please your Honour.

The Legislative Assembly at its present Session passed a bill which in the name of the Assembly, I present to Your Honour and to which bill I respectfully request Your Honour's Assent:

No. 15 — An Act to amend The Landlord and Tenant Act.

**MR. CLERK, Jack Reeves:** In Her Majesty's name, His Honour the Lieutenant-Governor doth assent to this bill.

His Honour was then pleased to retire.

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

## SUPPLY — FINANCE (cont'd)

**MR. CHAIRMAN:** Committee will come back to order. Item under discussion is Page 58 of the Main Estimates, Department of Finance, Resolution No. 61, Item (c) Administration, (2)(a) Salaries — pass.

The Honourable Minister.

**MR. RANSOM:** Mr. Chairman, I thought the honourable member first of all was referring to Item 1 (c)(2)(a) Salaries and I gave the details for that. I believe then he was referring to the item of \$492,000 as compared to \$370,000 which of course includes some of the salaries that I just referred to as well as those in Administrative Services. Then there is an increase in the position for an Insurance and Risk Manager which is included in Salaries, Item on (2)(a) as well and an Administrative Analyst. Within the Other Expenditures there's an additional \$20,000

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included there that is related to the risk management position, so that when those items are totalled I can assure the member that brings us to the difference.

**MR. CHAIRMAN:** (a) — pass; (b) — pass; (2) — pass — the Honourable Member for Burrows.

**MR. HANUSCHAK:** Yes, Mr. Chairman, before we pass Item (2) Administrative Policy Branch, I just wish to remind the Honourable Minister that I believe it was yesterday I had asked him about a grant that was under I think at that time it was Interim Supply, but the same question holds true for this item. I'd asked him two questions, one dealing with the matter of education finance and that I will from hereon in I'll proceed with that matter in dealing with the Estimates of the Minister of Education because it became apparent today that the problem lies not with my arithmetic but rather the Minister's English.

The other question which I had put to the Minister yesterday deals with the matter of criteria and regulations governing grants, a whole host of grants that the province, that various departments of government make to the people of Manitoba. My particular concern was the inconsistency in the criteria as between the guidelines governing one type of grant and another, and the example that I gave the Minister were two. One, the grants that the Minister of Economic Development is responsible for giving out and that is the Incentives to Small Business, where according to a story that appeared in the press about a week-and-a-half ago — he hands out money as if it's going out of style by sundown, no accountability. In fact there have been recipients of grants that didn't even ask for the money and grants being made to firms on the verge of bankruptcy, firms being encouraged to spend more money which are on the verge of bankruptcy, in fact within a matter of days or weeks of bankruptcy and really very little, if any, accountability for the grants. So there is one type of grant and the other. Again the Minister will recall reading the story more recently about the guidelines and criteria governing Student Aid which is another form of grant.

Now in the case of Student Aid — students have to rummage around and produce a receipt for a loaf of bread which they have bought four years ago at the corner grocery because the Minister of Education wants to see it, and give an accounting for a pittance left in a savings account that they closed out a number of years ago. The example that was given was 11.00 and some-odd-cents. And that type of thing. Now, Mr. Chairman, I suggest to you that there is a lack of consistency in the manner of administration of the different types of grants. I would ask the Minister whether he would undertake in his capacity as Chairman of the Treasury Board to do a review of the manner of administration of the various grants paid out by government and bring about a greater measure of consistency as between one type of grant and another, rather than continue the type of unfortunate situation that we have at the present time.

Now I'm not quite sure in what manner the Chairman of Treasury Board operates under this government, but I would suspect or at least I would hope that as departments or prior to paying out funds of this kind that the Treasury Board has an

opportunity to vet the various programs, take a look at them and apply all the necessary checks and balances while both at the estimates preparation stage and perhaps once again before the moneys are paid out. So I'm sure that the Minister would agree that there are inconsistencies, at least there's evidence of inconsistencies in two grants. Now there may others, I don't know.

So my question to the Minister is simply: Would he undertake a review of all the grants paid out by government and establish some set of guidelines and criteria which would be applicable to all and which would not be prejudicial to one group and favour another?

**MR. RANSOM:** Mr. Chairman, the Treasury Board undertakes an annual review of the grants that are being made to various organizations. I'd like to simply refer the Member for Burrows to the Auditor's Report for the year ending March 31, 1980 and I won't quote extensively from it but in reference to Student Aid the Auditor simply sums it up and says that: "We feel that the steps which the branch has taken and the continued concern which is being demonstrated has significantly resolved the problem of bursary over awards." I refer the member to the information, Page 28 of the Provincial Auditor. I believe he'll also find that there is no reference within the report of the Provincial Auditor to any problem with the Rural Small Enterprise Development Grants.

**MR. HANUSCHAK:** Mr. Chairman, that's quite true. The Honourable Minister is quoting from a report for the fiscal year ending March 31, 1980; whether the same problem occurred with the Rural Small Business Incentive Grants or not I don't know, but what did surface as reported in a recent news article were incidents which had occurred over the past few months, during the current fiscal year. So the Provincial Auditor has not had an opportunity to review those particular matters. But you will recall, Mr. Chairman, that those matters were raised in the House by different honourable members and there was no denial from the Minister as to whether those incidents . . . he didn't say they didn't occur. So we can only assume that there must be some truth to what we had read in the press and that which the Auditor did not have an opportunity to review, but it has become publicly known and does seem to indicate some measure of inconsistency in the manner of administration of the two types of grants. Now, with respect to Student Aid, one other point that I had made yesterday and I want to impress upon the Minister again, that the Minister of Education took great pride in his battalion of snoopers who manage to recover 600-odd-thousand dollars of a Student Aid overpayment. Now I'm not sure, Mr. Chairman, that is really something for the Education Minister to brag about. Now we did hear rumbling from the Government Benches, from their seats, that this Minister, the Minister of Education, is a good protector, a good keeper of the public purse, but, Mr. Chairman, perhaps what that whole exercise really points to or really shows up are some flaws in the initial assessment and review of the Student Aid applications.

Perhaps if the initial assessment and review were done more thoroughly, more meticulously, then students would not have to be sent scurrying around

digging up a four-year old receipt for a loaf of bread that was bought at the corner grocer and that type of thing.

So, even though the Minister says, well, the Provincial Auditor is silent on the Small Business Incentives Grants, so therefore it appears that everything is above board and everything is rolling along smoothly but during the current fiscal year, Mr. Chairman, there has been evidence to the contrary, that it is not so. That here we have one type of grant which is highly politically visible, which the recipients receive with pride, namely, the Small Business Incentives Grants. The Minister probably goes out personally, delivers the cheque, the photographer from the Information Services is there, the photograph is distributed to all the weekly newspapers, a little cocktail party is put on, and then the picture and the story appears on the front page and so forth. So, you know, there's more political mileage out of the Small Business Incentives Grant, but as far as the poor student is concerned, well, let's put the squeeze to him, let's put the blocks to him, let's keep him starving for a while and if he survives, you know, we've also had that reported that there was a student who had made application for Student Aid and then he was given the runaround, being asked for information about this, that and the other and an explanation for one thing and the other. Six months went by and the Student Aid Branch or really, speaking in the name of the Minister — I really should say the Minister said to the student, well, you've managed to survive for the past six months quite well, so it appears that you don't need Student Aid.

Maybe the same criteria ought to be applied to small business, put them on a six-month waiting period and see if they survive. If they survive, then the Minister of Industry and Commerce should say to them, well, you've made application for a grant, but it appears to me that you managed to continue running your business operations quite successfully for the past six months so therefore no grant, but apply the same checks and balances to the small businessman as to the student aid applicant. After all, a lot of them are receiving a hell of a lot more money by way of grant than the student is, because those grants, I believe, are up to a maximum of \$30,000 and yet according to the information that we have that had been presented to us during the consideration of the Minister's Estimates according to what has been publicly reported recently, there really are no checks and balances. The small businessman receives the grant as I mentioned earlier, on some occasion not even asking for it, but the Minister just seems to be going around the province and shoving money down businessmen's throats and the businessman goes laughing all the way to the bank with free money that he didn't really ask for, and like I said the other day at the same time laughing at the Minister for his irresponsibility in just handing out money indiscriminately. So there is the inconsistency.

Now, I say again, Mr. Chairman, we've seen evidence of inconsistencies in two types of grants and there might be others. So I would think that regardless of what the Provincial Auditor says or doesn't say, a Chairman of the Treasury Board, if he's doing his job, would want to do a periodic

review of the guidelines and criteria for various types of grants to make certain that there is some measure of consistency, that one department doesn't go off in its own direction doing its own thing and another department goes in an opposite direction doing its own thing as we have here. You know, real strict controls imposed on one group of recipients; very lenient, if any controls at all imposed on the other.

I'm surprised to hear the Minister say that he's only guided by what the Provincial Auditor says on what had transpired during a fiscal year which has ended and upon which the Provincial Auditor is able to report. I would think that the Chairman of the Treasury Board would make that an annual exercise and do a routine check and a routine comparison of the guidelines and criteria for various grants. I'm really surprised at his reluctance to want to do so now.

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

**MR. RUSSELL DOERN:** Mr. Chairman, I assume that I could make some remarks here about government policy and the attitude of the government in regard to the operation and future of Flyer Industries. I wanted ask the Minister a few questions here because there certainly has been some confusion and a lot of concern on the part of personnel at Flyer. I know that there have been a number of requests made to the Premier that have presumably been passed on to some other Minister, presumably the Minister of Finance, to answer some legitimate concerns.

Mr. Speaker, in the month of February there were several requests in writing from the senior management of Flyer Industries asking for a meeting to discuss persistent reports about the sale of Flyer. Obviously, the people who run the corporation have a legitimate concern about their own future and that this is one of the problems, I think, with the operation of Flyer; namely, that one never knows from week to week or month to month or year to year whether Flyer is going to continue to operate or whether it's going to be sold. I think this, first of all, has an adverse affect on the senior management who are spearheading this inquiry and, secondly, on the people who work in the plant. I mean, if you don't know whether or not you're going to be in business or whether you're going to have the same set of policies or whether there's going to be people brought in to replace other people, I suggest that this will have an adverse effect . . .

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

**MR. RANSOM:** Yes, Mr. Chairman. I just would like to inform you and the members that I do not have responsibility for MDC and for Flyer. If the Member for Elmwood wishes to discuss and expect to receive answers with respect to Flyer, then he should be doing it in the Estimates of the Minister of Energy and Mines.

**MR. CHAIRMAN:** I will be guided by it. The Honourable Member for Elmwood.

**MR. DOERN:** Mr. Chairman, I just wanted to clarify that point then. There is no involvement then under

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Finance for Flyer, it's totally under the Deputy Premier.

**MR. RANSOM:** The Minister of Energy and Mines has been assigned the responsibility of answering for Flyer Industries.

**MR. CHAIRMAN:** (a) — pass; (b) — pass — the Honourable Member for Burrows.

**MR. HANUSCHAK:** Mr. Chairman, before we pass Administrative Policy Branch, I note that between March 31st and April 1st and 2nd of 1977, the Conservative Party made certain commitments to the people of Manitoba in a document called "Policy Papers". It says on the cover "For discussion purposes", so I understand that, Mr. Chairman. However, just to refresh your memory, Mr. Chairman, because I'm sure that you were there, you will recall that Page 1 is a statement by the Leader of your Party, who today is the First Minister, and what he said was this, that while we may change some of the emphasis and some of the policy outlines contained here, the general direction of these policies reflects the kind of government we will be in Manitoba. So, in other words, Mr. Chairman, what your leader then, well, they might change a few punctuation marks here and there, change the odd pronoun here and there and substitute some other word for it, but the basic thrust will remain the same, remain unchanged. So, Mr. Chairman, in view of the fact the Department of Finance deals to a large extent with taxation and it provides the direction, control and co-ordination of department programs, etc., I would like the Minister to now comment on some of the commitments, which he had then made; he was part of the political party that made those commitments at that time, and we haven't really heard much about them since they were then stated.

**MR. BOYCE:** WAs there an election that followed?

**MR. HANUSCHAK:** Well, there was an election that followed, yes, six months later and since then we haven't heard a thing about it. One of the commitments was a provision of an incentive-oriented tax system, which will encourage our productive people to remain and pay their taxes in Manitoba. Perhaps the Minister could at least give us a progress report on the development of his incentive-oriented tax system, whether he has developed one and whether he's — well, I was going to ask him whether he has had any success with encouraging our productive people to remain and pay their taxes in Manitoba. Mr. Chairman, we know that he had failed on that one, but anyway perhaps he could express some comment on whether he has given up the notion of developing an incentive-oriented tax system or where does that matter lie? Also, he is going to provide incentives for risk taking and initiative in Manitoba, or perhaps the Minister could elaborate on the incentives that he has provided for risk taking and initiative in Manitoba.

**MR. BOYCE:** For students going to school.

**MR. HANUSCHAK:** And as my colleague, the Honourable Member for Winnipeg Centre, says, for students going to school, and that appears to be about the extent of it.

He also committed himself to the people of Manitoba to provide tax incentives for small businesses as the greatest producers of employment and opportunity in Manitoba. Mr. Chairman, other than the Minister of Industry and Commerce going around the province handing out \$30,000 gifts, we really do not know of any tax incentives that this government has offered small businesses in the manner as indicated here. He is going to ensure that tax rates for small business are comparable with those in neighbouring provinces, including incentives for new business and speculative investment; perhaps he could comment on that.

He was going to petition the Federal Government to permit capital gains tax deferrals on family businesses as they are permitted on family farms; he may also want to comment on that.

Oh, yes, he was going to establish an advisory committee. Now this relates to the Minister of Finance, Mr. Chairman, to establish an advisory committee to the Minister of Finance composed of small business people to advise him as to the effects of various taxes on the business community.

**MR. BOYCE:** Great-West Life is a small business.

**MR. HANUSCHAK:** Now my colleague, the Honourable Member for Winnipeg Centre, says, well, Great-West Life is a small business. Well, perhaps so.

**MR. CHAIRMAN:** Order please. The hour is now 4:30, I am interrupting the proceedings for Private Members' Hour and will return into committee at 8 o'clock this evening.

## IN SESSION

### PRIVATE MEMBERS' HOUR

**MR. SPEAKER:** Order please. We are now under Private Members' Hour. On Thursdays, we start with Public Bills, followed by Private Bills and then Resolutions. The first order of business is Bill No. 14, on the motion of the Honourable Member for Inkster, standing in the name of the Honourable Member for Rhineland. (Stand)

Bill No. 17 — The Medical Act standing in the name of the Honourable Member for Logan. (Stand)

Bill No. 19 — An Act to amend the Verterinary Medical Act standing in the name of the Honourable Member for Logan. (Stand)

Bill No. 23 — An Act to amend the Condominium Act standing in the name of the Honourable Member for Gladstone. (Stand)

Bill No. 24 — An Act to amend the Condominium Act (2) standing in the name of the Honourable Member for Gladstone. (Stand)

Bill No. 28 — An Act to amend The Employment Services Act standing in the name of the Honourable Member for Gladstone. (Stand)

Bill No. 30 — An Act respecting the Sperling Joint Community Centre District standing in the name of the Honourable Member for Logan. (Stand)

Bill No. 31 — An Act to amend An Act to Incorporate The Mennonite Collegiate Institute standing in the name of the Honourable Member for Logan. (Stand)

### SECOND READING — PRIVATE BILLS

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**BILL NO. 33 — AN ACT TO AMEND AND CONSOLIDATE AN ACT TO INCORPORATE MANITOBA POOL ELEVATORS**

**MR. MORRIS MCGREGOR** presented Bill No. 33, An Act to amend An Act to amend and consolidate An Act to incorporate Manitoba Pool Elevators for second reading.

**MOTION presented.**

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

**MR. MCGREGOR:** Mr. Speaker, 50 years ago, in 1925, Manitoba farmers petitioned this Legislature for a special Act incorporating Manitoba Pool Elevators. Today Manitoba Pool Elevators operate 224 licenced elevators in Manitoba with a total capacity of 639,000 tonnes and these elevators handled 59 percent of all Manitoba grain receipts in the last crop year. The special Act format was appropriate for Manitoba Pool Elevators because until 1976 there was no general co-operatives act in Manitoba, which would accommodate its requirement as a farmer owned co-operative with a delegate representation system.

In 1976 however this Legislature passed The Co-operatives Act, which provides an adequate legal structure within which Manitoba Pool Elevators can operate. Therefore, Manitoba Pool delegates at their Annual Meeting in November, 1980, passed that a unanimous resolution authorizing a petition to this Legislature for a bill amending its act of incorporation to permit Manitoba Pool Elevators to continue under The Co-operatives Act.

The intention of that, upon passage of this amending bill, Manitoba Pool Elevators will file articles of continuance with the Registrar of Co-operatives, and effective at the end of the Co-op year, July 31, 1981, Manitoba Pool will become a co-operative under The Co-operatives Act.

One of the many advantages of the new Co-operatives Act is that like the new Corporations Act it gives co-operatives all the capacity rights, powers and privileges of a natural person. This is the modern trend and avoids a lengthy listing of powers which were common in the old special acts which sometimes had the effect of limiting the powers of a corporation if a particular power was admitted. The bill deletes the lengthy list of powers contained in the existing special Act and substitutes the special statement that Manitoba Pool Elevators has the capacity, rights, powers and privileges of a natural person.

I recommend this to go on to the committee stage, Mr. Speaker.

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

**MR. JENKINS:** Mr. Speaker, I'd like to move seconded by the Honourable Member for Elmwood that the debate be adjourned.

**MOTION presented and carried.**

**RESOLUTION NO. 18  
"ENTERPRISE MANITOBA" PROGRAM**

**MR. SPEAKER:** We then proceed with resolutions. Resolution No. 18 — the Honourable Member for Rossmere.

**MR. VIC SCHROEDER:** Thank you, Mr. Speaker, I move seconded by the Honourable Member for Logan that:

WHEREAS more than sufficient time has now passed since the commencement of the Progressive Conservative Government Program known as Enterprise Manitoba to assess its impact on our economy; and

WHEREAS that impact appears to have been negligible; and

WHEREAS during the lifetime of that program bankruptcies have increased to a new high in Manitoba, construction activity has substantially declined, and our population is declining for the first time since the last time we had a Conservative Government; and

WHEREAS it would be in the public interest to utilize the funds received by the province from the Federal Department of Regional Economic Expansion in order to facilitate loans to viable Manitoba businesses in need of financing at reasonable interest rates:

THEREFORE BE IT RESOLVED that the Government be urged to renegotiate its Enterprise Manitoba Program with the Department of Regional Economic Expansion to the effect that funds be obtained for the purpose of providing loans to locally owned businesses on criteria fair to all businesses. Such loans would be repayable at reasonable interest rates generating revenue to create and assist further businesses.

**MOTION presented.**

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

**MR. SCHROEDER:** Thank you, Mr. Speaker. As members are aware I presented a somewhat similar resolution at the last Session of the Legislature and when I listened to the answer last year by the Minister of Economic Development it became obvious that he did not understand the resolution. I trust that repetition of the resolution and a further explanation this year will cause the Minister and the government to understand and take the action which is so obviously necessary.

If there was any doubt last year that the whereas clauses of this resolution are accurate, that doubt is now gone. Bankruptcies are up dramatically. A recent Manitoba Gazette recorded the dissolution of some 1,400 or 1,500 Manitoba businesses in the past 12 months. Those business closures involved many small businesses from my own area, in East Kildonan, North Kildonan in the constituency of Rossmere, especially in the construction industry. Housing construction has hit a new low under the current government and notwithstanding the fact that we have thousands of refugees who have come to the province from south-east Asia and from other parts of the globe since 1977, we are the only province in Canada which today has a lower population than it had at the end of the year, 1977. Why? Certainly one of the major reasons is the acute protracted restraint practice by the current Tory Government. It is our position that government does in fact have a responsibility to promote economic growth within the province. This includes assistance to business and especially support to local small business enterprise.

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There are many ways of achieving economic growth. For instance, it can be achieved by assisting business through product research. It can be assisted through assembling and providing market information to business with respect to markets both inside and outside of the province and indeed the country. The government might, and indeed does, spend money inside and outside the province promoting tourism. Another method of assisting business, which we used to use to greater effect than is being used now, is the idea of providing a market for business to make a profit in. For instance, the government might provide the funding to senior citizens in order that they might repair their homes. That funding provided jobs for contractors and markets for people selling items for the contracting business, doors and windows, and that type of thing. The government can, for instance, rather than giving the tourist industry handouts, provide vacations for underprivileged children which indirectly will assist the business and very directly assist a segment of our population which indeed deserves that type of assistance.

All of those things can assist business in the province. This particular resolution addresses itself merely to the issue of grants as opposed to loans and not to those other methods of achieving economic growth. The assumption behind the grant is that without the provision of the grant the particular project which is going ahead as a result of the grant would not have gone ahead. Unfortunately that assumption is sometimes not true, and I refer you to a recent edition, the Saturday, March 7th edition of the Winnipeg Free Press, on the first page there is a heading, "Provincial Grants Create Few Jobs," and it's a story by Ingeberg Boyens. The second paragraph, "Businessmen who received grants under the Rural Small Enterprise Incentives Program said they probably would have set up or expanded operations without the government aid." So that assumption sometimes goes out the window and certainly goes out the window in some cases.

Now there is a major advantage to government providing assistance to business by way of grants as opposed to loans and that is that there is no bad publicity against the government when the business fails. Many of the businesses that have been assisted by this government have in fact gone under after receiving that assistance and there has been little, if any, bad publicity. We can all recall the days when government used to provide loans to businesses rather than handouts and if those businesses went bankrupt there was a great hue and cry by members opposite. So, I suppose that is an advantage to the government of a grant as opposed to a business loan, but I would submit that they have a responsibility not to throw taxpayers' money away in that fashion.

There are many disadvantages to the grant. For instance, it provides no incentive to government to provide other supports to business in its initial stages to ensure the success of a new or expanded business and, of course, if the business fails, there is no real expectation of repayment of any of the funds. The grants mean less in global funding of economic growth because the money doesn't come back. When the money does not come back, less people can benefit the second time around and there will be

less total benefits applied to the economy as a whole. That means, of course, that there is less money available to each individual or business requiring funding. It further restricts the class of those entitled to the funding. For instance, a jeweller, a wholesaler, a contractor or indeed a manufacturer in my particular constituency does not qualify, but a meat store in Treherne, Manitoba apparently got a freezer. I recognize that the Enterprise Manitoba Program is a Federal-Provincial Program and that it is as a result of an agreement with the Federal Government, it's not all the fault of the province.

The Minister, I'm sure is also aware of the Western Premier's Task Force on constitutional trends and I refer him to the March, 1979 Report, Page 28, Item 6, DREE, the Task Force Report states "The potential for a conflict between DREE activities and provincial priorities exists. With this in mind the Task Force agreed that there must be recognition that the Provincial Governments retain primary responsibility for establishing the priorities for economic development. All DREE subagreements should reflect provincial priorities. To ensure compatibility with provincial objectives priority should be given to sharing of existing or planned provincial programs rather than the creation of new programs to suit DREE involvement."

It would appear that would give the Minister adequate encouragement to go and renegotiate this agreement which is giving away money, and I might add, not getting much back for it.

My basic objection to grants is that they offend the rules of equity. I would refer again to another recent newspaper article, Winnipeg Free Press, February 26, 1981, Page 3, there's a heading, "Federal Grant News Appalls Lamb", and it goes into the fact that a number of grants have been provided to various companies at the same time that Lambair went out of business because it couldn't get a loan from the Federal Government. Of course in that particular instance, he was referring to a different DREE Program. He was referring to a program that is strictly federal, as opposed to the Enterprise Manitoba Program, because that program deals with more funding for larger manufacturing operations, but the principle is the same.

Grants can also be and are, unfair, as between businesses of a similar class. For instance, two newspapers, you could have a community newspaper in North Kildonan and a community newspaper in Rossmere. The one in Rossmere can qualify for a fancy new printing press, which it got, and the one in Rossmere would get nothing, because it doesn't happen to qualify under this particular program. This Minister I suppose, would tell that business in Rossmere that business under the Conservatives is on trial. Well, why isn't it on trial in other parts of the province? I'm not suggesting that it should be, but what is fair for one business in a class should be fair for the other businesses in the same class. The person that doesn't get the grant goes to the Royal Bank or some other place where he's going to get hosed at about 18 percent interest, and has to pay that interest plus the loan back, and try to compete with the man who got the grant. It is unfair, as between businesses of a different class. Why should a manufacturer be allowed to increase his income and net worth by way of a government grant, but a



transportation company owner is told, "We won't help you with interest rates, or with a loan to get you out of trouble". I would suggest that companies such as Lambair do provide a valuable service to northerners, to miners, to fishermen, prospectors. Why does the meat market in Treherne qualify while the contractor or retail store owner in Rossmere does not qualify? Why does one group get free grant gifts, while other groups who would also supply employment can't even get a loan and repay it at reasonable interest rates?

The program is also unfair between the businesses who do get it and those others in society such as students, who have completely different qualification guidelines to get any funding from this government. Students attending learning institutions and obtaining life skills, which are supposedly fine objectives, important objectives in our society, and are important to both the student and to society, get no grant whatsoever, not one red cent, unless they can prove financial hardship. That is not a criteria for these grants. There's no question of financial hardship involved. But for a student, you have to prove financial hardship. Of course, recent newspaper articles as well, indicate the difference in treatment of qualifying businesses as opposed to students.

We've just heard the Member for Burrows referring to the fact that students apparently have to prove their bread purchases from years back in order to make sure that they qualify. If they are cut off for a short period of time during an audit, and they manage for six months to live without the grant, they are told, "Well, you don't need the grant because you lived for six months without it. You're still alive and you're still in school, so you don't need it". They're cut off on that basis. (Interjection)— As the Member for St. Vital philosophically says, "Students don't live by bread alone". I would point out as well that the student in return for any grant he gets, gives up his year's salary rather than increasing his salary and net worth as the businessman who gets the grant manages to do.

In short, the current Enterprise Manitoba Program is inefficient in providing jobs as demonstrated by all economic indicators in this province. It assists too few businesses, for too little money, and it is unfair between different businesses, and unfair between different classes of business. It is as well, unfair as between those who receive it and the rest of us who have to pay for it. The purpose of the resolution is to urge the government to provide funding on the basis of reasonable interest loans.

**MR. SPEAKER:** The member has five minutes.

**MR. SCHROEDER:** Thank you, Mr. Speaker. The purpose of the resolution is to urge the government to provide funding on the basis of reasonable interest loans to many, rather than the giveaways to the few. The giveaways of course, sometimes even create problems for the few who get them. They make people think that they're going to get something and make money, when more realistically, if they were dealing with loans, they may have sat back and reassessed it and not gone into it.

I refer again to Boyens' article, page 4 of the Free Press of that day, and she says, "The operator of one. Bob Mitchell, blames the easy money for giving

him false hopes of success. The grant gives you a lot of false confidence that you can do things", said Mitchell. He says further: "For a government that is for the small businessman, they sure stuck it to us." That's the way he feels about it, and of course that's one of the problems with the grant, for the people who get the grant. They are told, "Ah, but you'll only qualify if you fit through these 15 needles."

So rather than looking at a business based on an economically viable proposal, they are looking at a business with that in mind, the economic viability plus all of the bureaucratic requirements for the grant. They have to sneak through a whole pile of regulations in order to qualify for the money in the first place. Sometimes they make investments that they would not have made, they would never have made, had it been on a loan basis, and they could have made their own investment decision, but rather what is happening under this grant program, they are being told to do something which, in many instances, is against their better judgment.

Again referring to that same article, "Mitchell said he was told the company wouldn't receive the promised grant, because start-up costs were more than 10 percent higher than estimated. Nowhere in the contract did it say costs had to be within 10 percent of estimates. He said a program counsellor had in fact advised the firm to buy more expensive equipment, knowing it would raise the cost of the project. He is then quoted: There is no way we would have bought the equipment if we didn't have the assurances of the money. Finally, it killed us."

That is the type of program Enterprise Manitoba is. So on top of being unfair as between businesses of one class, or between businesses of different classes, or between businesses as opposed to the rest of society, businesses as opposed to students, rural businesses as opposed to city businesses — it is not even working for the very people who supposedly should be benefiting from it, the individuals who are getting the grant.

Therefore I urge the government to accept this resolution, and immediately begin the renegotiation of this program, to use those several millions of dollars in loans, rather than grants. Thank you, Mr. Speaker.

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

**MR. DAVID BLAKE:** I know the Member for Rossmere is eagerly anticipating us to rise in support of his motion, but I'm afraid we have a few reasons, Mr. Speaker, that I'll take a moment or two to illustrate to him, that makes it impossible, unattractive and whatever other words I might use to indicate that we'll be voting against it.

I just want to make one or two comments on the remarks that the Member for Rossmere has made, Mr. Speaker, in introducing his resolution. He indicated at one stage of the game that Lambair were unable to get a grant and that was one of the reasons for their bankruptcy. Mr. Speaker, I would like to indicate to the Minister that probably a greater reason for the financial difficulties of that airline was the eight years of regime by that government that he represents, Mr. Speaker, that instituted the Red Air Force, and had caused Lambair to sell off a great number of their aircraft,

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and deprived them of a tremendous amount of business that they previously enjoyed in the north, not only them, other private carriers that were deprived of cargo contracts, mail contracts and Lord knows what when they instituted the Red Air Force and filled the north with pilots and other sundry employees that were necessary to keep it aloft.

Needless to say, Mr. Speaker, the member is not that familiar with bankruptcies. He mentioned one that the Incentive Grant had indicated false hopes of success. I would suggest, Mr. Speaker, in bankruptcies, if you take a good analytical look at them do not happen overnight, the things that go on for many many years and having been associated with financial institutions for some time, I can speak with some authority on that, that there's a great deal of thought goes into it before a financial institution of any repute pulls the plug on a customer, even a potential customer. There's a great deal of investigation including the financial structure management ability and future prospectus of success of that business before it's put into bankruptcy, and when you analyse them all, there are a great many reasons for most bankruptcies and many of them are management rather than financial problems and I'm sure the member will agree with that.

Some of the, obviously, business enterprises in his constituency were not granted financial assistance under the Small Enterprise Manitoba Program and again it just depends whose ox is being gored, Mr. Speaker, whether you attack the program or fully support it.

I may have been fortunate in that regard. My constituency enjoys two or three new businesses now, who have benefited from grants and without them, I'm sure would not be flourishing today. That's right, the Minister of Agriculture has indicated that the gasohol plant didn't get a grant but they did benefit to a great degree, Mr. Speaker, from some of the free enterprise philosophy of this particular government in removing the gas tax which provided sufficient incentive for them to go ahead. And I maintain, Mr. Speaker, that things like that are as stimulating to the free enterprise system as some of these particular programs that we have brought in. The members opposite of course, are putting great faith in the newspaper article that was written, where one or two people had indicated that they would have probably gone ahead anyway, without the government assistance. I'm sure if that particular reporter were to dig through the program thoroughly enough, she would find an equal number that would indicate that they have benefited a great deal by the program.

Mr. Speaker, while these are some of the indications, there are three primary reasons that make it impossible for us to support the proposal. Firstly, Mr. Speaker, the claim that the impact of Enterprise Manitoba is negligible is simply not factual and the agreement has achieved a great deal of success. The good performance reveals that the whole resolution rests on a pretty shaky foundation. Secondly, the notion that it is necessary to establish another lending agency does not make sense, Mr. Speaker. There are plenty of private sector lending agencies now in the business and as the member well knows the Federal Business Development Bank is very active in this province where there is no

question that a change in the level of interest rates are affected by national and international conditions. This is not going to be achieved by establishing yet another lending institution. I think that is pretty obvious. And thirdly, the assistance that is now available for small rural manufacturing business — the Rural Enterprise Incentive Program that offers interest-free forgivable loans, has already been effective in stimulating 150 new and expanded businesses in Manitoba, Mr. Speaker.

So to suggest that the impact of this program is negligible is simply nonsense, Mr. Speaker. I want to ask the Member for Rossmere if he thinks the 3.6 million infrastructure grant to the Rural Municipality of Russell is negligible and that the 86 jobs in CSP's new \$35 million plant or the investment in that plant if that's negligible. Is the infrastructure assistance to six other communities making possible 120 new jobs negligible? In addition to that, Mr. Speaker, there's about \$7 million in private investment in rural Manitoba via RSEI — that's not negligible — \$7 million investment in other communities in rural Manitoba — that's not negligible, Mr. Speaker. In the Commercial Planning Assistance for Small Business there's 14 rural communities involved there; is that negligible? There's 17 new manufacturing ventures in our enterprise development centres; is that negligible? Are the 350 rural businesses that receive counselling negligible? Are the 4,000 business inquiries of the centres responded to last year negligible? Is the 16 million technological initiative through the centres at Portage la Prairie and Winnipeg negligible? Is the technical assistance and information provided to more than 700 companies and individuals negligible?

Mr. Speaker, these are just a few of the reasons that the member's resolution will just not wash, Mr. Speaker. He knows very well that Manitoba has the second lowest unemployment rate of all provinces, with only Alberta being lower. I suggest to him that the Small Incentives Rural Manitoba Program had a great deal to do with that. Job creation has been good over the year, Mr. Speaker. There are 447,000 Manitobans employed at February of 1981 — that's 9,000 more than the year before.

Mr. Speaker, this particular program as the Member for Rossmere well knows is a cost shared federal-provincial venture. The Small Business Incentives Program, Mr. Speaker, the total provincial share amounts to \$2 million, total cost for five years will be \$5 million. So out of a \$44 million program, Mr. Speaker, that is a fairly negligible amount. The total provincial share to date is about \$2 million. Now, Mr. Speaker, his government invested \$2,494,000 — that's just a shade off \$2.5 million in a firm known as William Clare Limited, through the type of lending agency that the member is suggesting; MDC —(Interjection)— \$2.5 million. Mr. Speaker, that created no jobs. Thirteen Canadian authors provided some of the material that was published in Chicago by Rod McNally. These are the kinds of projects that the members opposite promote, Mr. Speaker, and it's for reasons such as I have quoted and others which indicate the success of this program that we just cannot support the resolution.

Mr. Speaker, the total projects initiated under this program since its acceptance is 145 of them; total

loans approved total \$2.7 million. As I indicated earlier this accounts for a total investment of \$7.1 million. The jobs indicated are 489, Mr. Speaker, and the communities involved are over 60. These are the types of programs that benefit all of the rural communities in Manitoba, not the selective larger centres, they benefit the smaller rural communities that number hundreds or a couple of thousand in their population. If you can provide a small industry in one of those villages or small towns, Mr. Speaker, that will employ 2, 3, 5, 6, 7 people, that's a tremendous boost to the industry of that community; there's no question about it. They need in a great many cases some little incentive to locate there because as you well know they're removed from the main arteries of transportation in a great many cases. There are other problems for them to overcome such as rail lines, labour and what not.

**A MEMBER:** You wouldn't want them to live in Minnedosa.

**MR. BLAKE:** The member indicated, I heard from his seat, Mr. Speaker, Minnedosa. Now if I might just take a minute to enlighten him on some of the benefits of living in Minnedosa. This is one of the great attractions for drawing industry to the rural areas — when you have a town such as Minnedosa situated in one of the most beautiful and picturesque valleys in Manitoba with 3,000 friendly and aggressive kindly souls inhabiting the place, good free enterprisers that have on occasion seen free to support the free enterprise system at the polls, Mr. Speaker. The facilities there, power, water, sewage facilities, and one thing that cannot be overlooked, Mr. Speaker, in attracting industry to rural Manitoba are the recreational facilities, the medical facilities, dental, optometry, chiropractors, whatever. These are tremendously great attractions in bringing industry to rural Manitoba. I am pleased to report that the Town of Minnedosa is blessed with all of those good facilities and that is just another one of the reasons why we enjoy companies like Mohawk Oil who have seen an investment that they feel that they can turn into a profitable enterprise and do their bit in contributing to the energy crisis that members opposite are so happy to point out on occasion, Mr. Speaker.

The benefits of the program, Mr. Speaker, are being felt in the areas that have been able to take advantage of them. The Member for Rossmere mentioned industries that would not qualify. I sympathize with him on those programs. The service industry just doesn't fit into it. He mentioned the meat processor in Treherne. He is a manufacturer, Mr. Speaker, he is turning out a product that is not really bought in packages from Eastern Canada and brought into his refrigerated services and passed on to his customers. He is making a truly Manitoba product. I happen to know the individual, Mr. Speaker, and I would recommend the Member for Rossmere to try some of his sausages, his smoked ham or his smoked bacon — I can recommend it very highly. There's an example of a grant providing a facility that has been upgraded and has provided employment in that area.

Mr. Speaker, I could go on and on but the resolution is just one more effort by the members opposite to throw a little more doom and gloom over

the Province of Manitoba. They seem to get so much joy out of tearing things down instead of building things up, Mr. Speaker. I can sympathize with the leader of his party and I know some of the frustrations that he's going through right now with factions within his organization, not having to do with his particular constituency. But the Town of Selkirk is disappointed that there has not been more industry attracted to that town. I had some involvement there many years ago, Mr. Speaker, when under one of the DREE programs where we were involved in setting up an industrial park, providing the main arteries, paving roads, providing water services in there — some half million dollars in DREE money was brought into that particular project, I would say of one of the finest industrial park areas in the country. At that time there was a good deal of industry and a good deal of interest shown, Mr. Speaker, in locating in that particular area and good success was enjoyed by the people in Selkirk who were aggressively trying to bring industry to their town.

At that time, Mr. Speaker, there was no thought that the government of the day would see fit to close the Gimli Air Base. That was done I would suggest as a political move by their so-called bedmates in the Liberal Party. That left a terrible void in that particular area — the Town of Gimli was now suffering a great deal and there was an effort made to put industry into that area which left the Selkirk area competing with a neighbour 30 miles away. I suggest to the Leader of the Opposition that contributed a great deal to some of the woes that his constituency is experiencing.

But, Mr. Speaker, I see the signal that my time is coming to an end, Mr. Speaker, so I will move, seconded by the Member for Roblin — (Interjection)— It won't be long before there'll be some others up here speaking if there's much tipping from the back bench, Mr. Speaker.

Mr. Speaker, I move, seconded by the Member for Roblin, that Resolution 18 be amended as follows: That the words "Progressive Conservative" in the second and third lines of the first WHEREASs be struck out and replaced with the words "Federal-Provincial", and all words after the first WHEREAS be struck out and replaced with the following:

WHEREAS the six programs in the Enterprise Manitoba Agreement have had substantial positive benefits to the economy of Manitoba; and,

WHEREAS \$2.7 million in forgivable loans has generated \$7.1 million of total investment in the private sector; and,

WHEREAS assistance is now available for small rural manufacturing business under the Rural Small Enterprise Incentives Program that offers interest-free forgivable loans; and,

WHEREAS it would not be in the Manitoba public interest to duplicate programs that are presently available; and,

WHEREAS Section 5 of the Enterprise Manitoba Agreement allows funds to be provided for assessment of the program; and,

WHEREAS the consultants were hired in December 1980 to assess Program 6 of the Enterprise Manitoba Program; and,

NOW THEREFORE BE IT RESOLVED that the Federal and Provincial Government assess the program after receiving the report on Program 6

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from the consultants and in the meantime continue its effective implementation of the Enterprise Manitoba Program to stimulate the investment sector of private sector capital and the creation of new employment opportunities throughout Manitoba.

**MR. SPEAKER:** It would appear to me that there's probably an inadvertent error in this. I believe the third line should be after the second WHEREAS. Is that the intent of the mover?

**MR. BLAKE:** That would be an editorial change, Mr. Speaker, and you're correct, that is quite in order as far as I am concerned and I'm sure my seconder would agree.

**MR. SPEAKER:** Is there consent of the House to have that change made? (Agreed)

**MOTION presented.**

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

**MR. HANUSCHAK:** Mr. Speaker, . . .

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

**MR. GREEN:** On a point of order, Mr. Speaker. I wonder whether it would not be necessary for the Mover of the amendment to say in the meantime, "consider the advisability of continuing its effective implementation". Would not a call for the continuation of the Enterprise Manitoba Program be a stipulation which requires the expenditure of government funds and therefore that it should be put in the abstract because it's being moved by a private member of the Legislature and it seems to me that it's calling for the continuance of the implementation of a program which calls for the expenditure of public moneys.

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

**MR. BLAKE:** Mr. Speaker, it's a point well taken and the member has been exposed to amendments to a far greater degree than I have. The program is in place and is being carried out in any event but if it's the consideration of the House that it should be "considered the advisability of", I would have no objections. I'm sure the Minister might wish to speak on the same point of order.

**MR. SPEAKER:** The Honourable Minister of Industry and Commerce on a point of order.

**HON. J. FRANK JOHNSTON (Sturgeon Creek):** On a point of order. The program is in place and operating at the present time. To continue with the "advisability of continuing it", I don't think is necessary while it's presently in place. The program is being studied and while it's being studied we are continuing what is happening at the present time.

**MR. SPEAKER:** The Honourable Member for Inkster on a point of order.

**MR. GREEN:** Mr. Speaker, the fact is that a private member is now moving for the continuance of a program which involves public expenditures and it seems to me that we would be safer if we merely added the words, and there doesn't appear to be any objection, in the meantime "to consider the advisability of continuing its effective implementation of the Enterprise Manitoba Program", and that way, there is no doubt that it's not the private member who is calling for the expenditure of money but that it's being spent. It's spent up until now, if you ask for it to be spent in the future, it would be a motion requiring the expenditure of public funds.

**MR. SPEAKER:** The Honourable Member for Minnedosa on a point of order.

**MR. BLAKE:** Yes, on that point of order, Mr. Speaker, that could well be. The motion is put forward and seconded by members other than members of the Treasury Bench and it probably follows that may be out of order coming from this area, so I would have no objection of including in the resolution "to consider the . . ."

**MR. SPEAKER:** Order please. Order please. I would like to have an opportunity of looking at this. Is there any advice from the Government House Leader?

**MR. MERCIER:** Mr. Speaker, I'd like to give you full opportunity to consider this matter and I believe there is probably a disposition not to proceed any further with Private Members' Hour at this time.

### COMMITTEE CHANGES

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

**MR. JAMES R. FERGUSON:** Mr. Speaker, I have some changes on the Public Utilities Committee. It will be Mr. Domino for Mr. Einarson and Mr. Gourlay for Mr. McGill.

**MR. SPEAKER:** Order please. I want to apologize to the House for a mistake that has occurred in yesterday's Hansard. The entire Private Members' Hour is missing. I have ordered a reprint of it and the members should have it tomorrow or the next day.

The Honourable Government House Leader.

**MR. MERCIER:** Mr. Speaker, I move, seconded by the Minister of Natural Resources, that this House do now adjourn and resume in Committee of Supply at 8 o'clock.

**MOTION presented and carried** and the House adjourned and stands adjourned until 10 o'clock tomorrow morning. (Friday)