

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 28 April, 1982

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. D. James Walding (St. Vital):
The Honourable Member for Tuxedo.

PRESENTING PETITIONS

MR. GARY FILMON (Tuxedo): Mr. Speaker, I beg to present the Petition of the Winnipeg Humane Society praying for the passing of An Act to Incorporate the Winnipeg Humane Society Foundation.

MR. SPEAKER: Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Attorney-General.

HON. ROLAND PENNER (Fort Rouge): Mr. Speaker, I beg to present the first report of the Standing Committee on the Rules of the House.

MR. CLERK, Jack Reeves: Your Standing Committee on Rules of the House beg leave to present the following as their First Report:

Your Committee met on April 20, 1982 and agreed that the quorum for all future meetings of the Committee be five (5) members.

The Clerk of the House was authorized to reprint the Rules of the House and to make such corrections as were required.

The Committee recommended that the Rules be amended, where necessary, to read

- (a) "the reigning monarch" instead of "Her Majesty the Queen,"
- (b) "the Governor-General" instead of "His Excellency the Governor-General," and
- (c) "the Lieutenant-Governor" instead of "His Honour the Lieutenant-Governor."

The Committee also recommended the following further changes in the Rules:

(a) by striking out the existing sub-rule 93(g) and substituting therefor the following sub-rule:

"(g) at the conclusion of each Session of the Legislature, cause the Votes and Proceedings to be indexed and bound and published as the Journals of the Legislative Assembly of Manitoba."

(b) by striking out the existing sub-rule 110(7) and substituting therefor the following sub-rule:

"(7) Sub-rule (4) does not apply to those provisions of The Corporations Act that, by virtue of that Act, are deemed to be included in any Private Act incorporating a company.

(c) by striking out Rule 122 in its entirety.

Your Committee also agreed to defer consideration of the following until its next meeting:

(a) Rules 88(14), 112, 113, 114 and 115.

(b) The question of precedence to be assigned to points of order and matters of privilege.

The Clerk of the House was directed to meet with Legislative Counsel and attempt to redraft Rules 112, 113, 114 and 115 to reflect the proceedings on Private Bills.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. JERRY T. STORIE (Flin Flon): Mr. Speaker, the Committee of Supply has adopted certain resolutions directs me to report the same and asks leave to sit again.

I move seconded by the Honourable Member for Inkster that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Attorney-General.

HON. ROLAND PENNER (Fort Rouge): Yes, Mr. Speaker. With respect to the report of the Standing Committee on the Rules of the House, I move, seconded by the Honourable Minister of Energy that the report of the Committee be received.

MOTION presented and carried.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we reach Oral Questions may I direct the attention of honourable members to the gallery where we have 14 students of Grades 3 to 5 of the Crestview School, under the direction of Mr. Jim Morgan. This school is located in the constituency of the Honourable Member for Assiniboia.

We also have 40 students of Grade 9 standing of the Ken Seaford Junior High School, under the direction of Miss Sawiack. This school is in the constituency of the Honourable Member for Kildonan.

There are 80 students of Grade 9 standing of the Spring Valley Junior High School, under the direction of Mr. Richard. This school is in the constituency of the Honourable Member for Kirkfield Park.

There should also be 25 students of Grade 9 standing of the John Pritchard School. These students are under the direction of Mr. Kroeker. This school is in the constituency of the Honourable Member for River East.

On behalf of all of the members I welcome you here today.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Roblin-Russell.

MR. J. WALLY MCKENZIE (Roblin-Russell): Mr. Speaker, I have a question for the Honourable Minis-

ter of Health. Apparently the Grandview School has reopened. I wonder if the Minister can advise the House if the latest reports that he's had from the area can assure the House and the students and the staff that all the safeguards of health are in place now that the school has reopened?

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, I will be pleased to share the information that I have with the members of the House.

The Inter-Mountain School Division Board met Tuesday afternoon, April 27th, 1982, and made a decision to reopen the Grandview Elementary School.

Continuous monitoring of the air since Monday, April 26th, by Environmental Services, has indicated that no carbon monoxide is present. Also, specialists have checked operations of the furnace, air conditioning system, gas lines and gas connections and all systems are functioning well. An old incinerator, 30 feet to 50 feet from the school, will be moved today in case it was the source of contamination.

Further blood samples from teachers who attended an in-service session in the Grandview School on Monday, April 26, 1982, have been tested for carbon monoxide and are normal.

An environmental specialist, Mr. Bernie Crisp from Dauphin, will be at the Grandview site for the balance of the week and will provide continuous air monitoring until Friday morning, April 30, 1982 and periodic monitoring next week.

Dr. Eric Sigurdson, part-time Medical Officer of Health, from Dauphin will be carrying out a surveillance of activities at the Grandview School and available if required. Also a Public Health Nurse is on site at the school.

Executive and members of the boards of the Inter-Mountain School Division and school officials are to be commended on the manner in which they have managed all the activities concerning this incident and I'm referring to the Chairman, Mr. Joe Dykeman; the Secretary-Treasurer, Mr. Stan Pluwack; School Division Superintendent, Mr. Mel Graves and Grandview School Principal, Mr. Howard Smith.

MR. MCKENZIE: I thank the Honourable Minister, Mr. Speaker. I have a question for the First Minister. I wonder if the First Minister could advise that correspondence from Co-op Economic Development both indicated to me that they have no correspondence on file whatsoever pertaining to the 1,200,000 pounds of surplus cheese that lies in the warehouses of Manco, I wonder could the Premier advise the House if any, in fact, any Ministers of his government have any solutions or possible plans whatsoever to help dispose of this 1,200,000 pounds of surplus good food.

MR. SPEAKER: The Honourable First Minister.

HON. HOWARD R. PAWLEY (Selkirk): Mr. Speaker, the Honourable Member for Roblin-Russell knows those matters pertain to the portfolio of the Minister of Co-operative Development.

MR. SPEAKER: The Honourable Minister of

Municipal Affairs.

HON. A. R. (Pete) ADAM (Ste. Rose): Thank you, Mr. Speaker, I'm pleased that the honourable member has raised his question. It's a question that concerns us greatly.

The decision was made by the Co-op people in discussion with their bankers that in view of the soft market for cheddar cheese at the present time, that it would be advisable for them to close two plants in order that they can control their inventory. That is the reason why they have decided to close two plants in order to have a better control of the inventory that they have on hand. They expect that by fall the surplus of cheese will have reduced and there may be a possibility that if that happens, the plants may reopen again this fall.

Having said that, Mr. Speaker, the people from MANCO have met with the Minister of Agriculture and I understand that there has been some changes on the board and that they have requested another meeting, I believe, for Friday. So we expect to meet with them on Friday of this week.

MR. MCKENZIE: Mr. Speaker, it is my understanding that MANCO's plan to convert and expand their plant or spend .5 million and convert it to skim milk and powdered milk has been set aside. Is this Minister going to tell the dairy farmers and those 50 workers at Rosburn that that's all the future that they have, that'll possibly open this fall or that there is no way of disposing of this cheese. I don't think that answer is acceptable at all, Mr. Speaker.

MR. ADAM: Mr. Speaker, a decision to expand a plant into powdered milk or other products is a decision that the board will have to make themselves. It is not for the government to go in and dictate to the board what they should or should not do. It is not the intention of this Minister or the Minister of Agriculture to go and take the responsibility of day-to-day operation of MANCO plants. That is a decision for the board themselves to decide. I have not met with them myself up to this point in time, they have never asked to meet with me and to discuss their problems but I will be meeting with them on Friday.

MR. MCKENZIE: Mr. Speaker, can I ask the Minister finally, does he in his own conscience honestly stand up and try and tell this House that a million pounds of cheese are sitting in a warehouse in the province and they can't be sold? Surely there's got to be some other answer to it.

MR. ADAM: Mr. Speaker, perhaps, the honourable member has more information than I have but I cannot confirm that there is a million pounds of cheese or there's 500 pounds of cheese there. I understand that they have an inventory problem and it's because of a weak market for cheese, because of the uncompetitive position that the market is in the east, and there is a 5-cents-a-pound freight rate to move the cheddar cheese from Manitoba to Ontario where the markets are and as a result of this being in an uncompetitive position, a further 3-cents-a-pound reduction in the price of cheddar cheese because of the surpluses

here has created a difference of about 8-cents-a-pound with the Ontario cheese production there. It's a difficult problem, we are going to meet with the MANCO to see what alternatives we can find to dispose of this cheese.

Mr. Speaker, I am writing to our own people here, the Department of Health, the Department of Community Services, to see if we cannot use some of this surplus cheese in our own establishments in Manitoba; at least that we use Manitoba cheese. Mr. Speaker, I'm not saying that we should just tell our government facilities they must buy MANCO cheese. I am saying that we should maybe look at seeing they use Manitoba cheese.

MR. SPEAKER: The Honourable Member for Emerson.

MR. ALBERT DRIEDGER (Emerson): Mr. Speaker, to the Minister of the Environment.

Could the Minister indicate whether he or his department has issued a directive canceling chemical spraying on Crown lands and road allowances?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. JAY COWAN (Churchill): Yes, I can't at this point, indicate whether or not that directive has been issued. If the member has more detailed information, I will certainly attempt to find an answer for him and report back to him at my earliest convenience.

MR. DRIEDGER: Mr. Speaker, to the same Minister, can the Minister indicate whether he is anticipating any changes in the program regarding chemical spraying on Crown lands?

MR. COWAN: I have not been notified at the present time of any changes which are being anticipated in the very near future. However, I will check with my department to find out if, in fact, those changes are being anticipated and if they are, I'll report back to the member.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. ROBERT (Bob) BANMAN (La Verendrye): Mr. Speaker, my first question is to the Minister of Health. I wonder if he could inform the House whether the replacement of the existing Rest Haven Home in Steinbach will be 60 units or 80 units?

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker, all the honourable member has to do is look at the package or kit I gave him yesterday. I think that'll be spelled out in there.

MR. BANMAN: So the Minister is confirming the personal care facility that will be replacing the existing one is 60 beds and not 80 as the community was led to believe. Okay, Mr. Speaker, I guess that's the case then. The facility has been wound down somewhat.

My second question, Mr. Speaker, is to the Minister

in charge of McKenzie Seeds and I would ask the Minister of Community Services whether he could confirm that McKenzie Seeds did show a profit last year and that the profit was accomplished after all debts were serviced without any interest-free loans, grants or gifts from the government?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. LEONARD S. EVANS (Brandon East): Mr. Speaker, the honourable member asks a question of me information of which was provided in detail in the Committee yesterday morning. He was at the meeting and the information was provided and I think he's really wasting the time of the House by asking me for information which he has as well as I have, having heard the report of the corporation, having been given a presentation by the Chairman of the Board.

MR. BANMAN: I thank the Minister for the affirmation that that question, the way I posed it, was indeed correct. I would like to ask a further supplementary to the Minister, Mr. Speaker.

In light of the fact that this profit was accomplished for the year ending October 31st, 1981, under the previous Conservative Government's term of office, and under the direction of a good solid Board of Directors, why did this Minister fire the Board of Directors of McKenzie Seeds when it managed to show this type of a profit?

MR. EVANS: Mr. Speaker, boards change from time to time and I'm very pleased that we have now in place, an excellent dedicated young board of persons including, for a change, two women.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I would like to follow up with the Member for Brandon East as well because he didn't answer my question in the board meeting yesterday. Could the member tell us why they took the Industrial Commissioner of Brandon who was on the board, on a board that was successful, and a successful businessman who was Industrial Commissioner of Brandon, would have continuity with the company, which would be desirable in this case, why did they take Mr. Christianson off the board?

MR. SPEAKER: The Honourable Minister of Community Services.

MR. EVANS: Mr. Speaker, I would advise the honourable member that when the individual he's talking about, this Industrial Commissioner that he's talking about, was appointed, he was not appointed as Industrial Commissioner. He was not then holding the position of Industrial Commissioner of the City of Brandon.

MR. JOHNSTON: Well, the only question I would ask, is Mr. Connie Christianson the Industrial Commissioner of Brandon or not and was he taken off the board of McKenzie Seeds while he was the Industrial

Commissioner of Brandon, Mr. Speaker?

MR. EVANS: Mr. Speaker, as I told the member yesterday, and it's on the record, there's nothing magical about having any particular individual on the board and my previous statement stands. We decided to change the board and we've got a very good board in place.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. FILMON: Mr. Speaker, my question is for the Honourable Minister of Consumer and Corporate Affairs.

In view of the record number of bankruptcies being experienced in Manitoba at the present time and in view of the fact that people are losing substantial sums of money often in the thousands of dollars; this money having been deposits placed on major purchases such as furniture, autos and motorcycles, etc., as a result of businesses going into receivership, what does the Minister intend to do to protect the interests of those many Manitobans who may be putting deposits on major purchases so that they will not be faced with the loss of this property if their deposits are revoked as a result of business failures?

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

HON. EUGENE KOSTYRA (Seven Oaks): Thank you, Mr. Speaker, as I indicated in response to a question some weeks ago from the Member for St. Norbert, I have directed the staff to look at that particular problem, unlike the previous government that had the opportunity of doing that for four years so we intend to look at that. There is a problem with respect to people that do put deposits on goods and then the subsequent bankruptcy takes place and one area that we are exploring at the present time is the setting up of trust accounts to deal with that particular situation so that those funds would be protected.

MR. FILMON: Mr. Speaker, my question is to the same Minister in his capacity as Minister of Urban Affairs.

I wonder if he will now admit that as a result of the freeze on bus fares that he has imposed upon the City of Winnipeg, the natural consequence of that freeze which has the effect of limiting the sources of income which the Winnipeg Transit System has at its disposal, is now a reduction in services as a result of the cutting of bus routes that is now taking place for Winnipeg Transit, as a direct consequence of his move of trying to impose provincial regulations by virtue of holding the purse strings on Winnipeg Transit.

MR. KOSTYRA: Mr. Speaker, that statement by the Member for Tuxedo is simply not true.

The City of Winnipeg budgeted its expenditures for the Winnipeg Transit System with a budgeted deficit. Their approach to looking at the deficit was in part by increasing transit fares to the citizens of the City of Winnipeg. Our approach to the City of Winnipeg was that we would cost-share and pay half of that deficit

through the Grant formula.

As far as I am informed that budget that was initially proposed by the City of Winnipeg was the one that was approved by the City of Winnipeg providing for what I would believe the same level of service for the citizens of Winnipeg. So if there is any cutback in services it is the City of Winnipeg that has taken that decision on its own, not by any actions of the provincial government.

MR. FILMON: Well, Mr. Speaker, any operations such as the public transit has only certain sources of income and if the Minister has cut off one of the potential sources of income, will he now take the responsibility for the fact that a bus route in the constituency of the Honourable Minister of Economic Development is being cut off because he chooses to interfere with the affairs of the City of Winnipeg Council? Will he take that responsibility?

MR. KOSTYRA: Mr. Speaker, I do not believe that the Minister is hearing what I was saying, that the budget that was proposed by the City of Winnipeg for transit fares prior to the announcement of the grants by the province to the City of Winnipeg were the same, it was the same budget that was finally approved by the City of Winnipeg. So any cutbacks in service were not contemplated by the city prior to the agreement or to the grant that was awarded by the city. So the province's actions with respect to the city did not result in any change in the city of Winnipeg Transit Budget. So any cutbacks, you would have to ask the City of Winnipeg for that.

Mr. Speaker, the City of Winnipeg is receiving the highest amount of assistance from the Province of Manitoba in the history of the City of Winnipeg. I would just want members opposite to remember what happened when they first took office and held down the assistance to the City of Winnipeg for a number of years. It was only in the last couple of years that they started increasing assistance. We didn't take that same approach, Mr. Speaker.

We took a responsible approach giving the City of Winnipeg increases in excess of the cost of living index for the City of Winnipeg of a level that I think is providing the city with some meaningful assistance.

MR. SPEAKER: The Honourable Member for Arthur.

MR. JAMES DOWNEY (Arthur): Mr. Speaker, I have a question for the Minister of Co-op Development or Co-ops in the province. I wonder if he could advise the House and the cattle producers of western Manitoba whether a decision has been reached by Manitoba Pool Elevators whether or not to rebuild the livestock facilities that burned some week-and-a-half ago.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. ADAM: I don't have that information whether or not they have come to a decision. I know, Mr. Speaker, that the board has met. They did meet after the big disastrous fire that they had. I met with the manager of the plant there, the Auction Mart on Thursday, I believe it was, the day after the fire and at that time I

did pose the question to him as to whether or not they might be reopening the Auction Mart and he could not give me a definite answer. He did remark that in view of the depressed prices of cattle they would still have to make a decision on those basis.

He had also indicated that the Advisory Board had met or were going to meet and that they met on Thursday, I believe. I again, went to the plant on Friday and he indicated to me that the Advisory Board were in agreement to rebuild the plant but that the pool directors were meeting on the following Monday and that they would decide then whether or not a decision would be made. So I can't indicate to the member at this point in time whether a decision has yet been reached to reopen the plant.

MR. SPEAKER: The Honourable Member for Swan River.

MR. DOUG GOURLAY (Swan River): I have a question to the Minister of Labour. I believe two weeks or thereabouts the Minister introduced the Student Employment Program and the details of that program are sort of career-related, unlike the program that was in place a year ago. I'm wondering if the Minister will be reconsidering the program to cover the private sector in providing jobs to students.

MR. SPEAKER: The Honourable Minister of Labour.

HON. VIC SCHROEDER (Rossmere): It sounds from the hammering out there that we've supplied one job that might be —(Interjection)— might be better done at a different time of day so that we could hear each other.

But I can assure the honourable member that the program that we have introduced does indeed apply to the private sector.

MR. GOURLAY: If, in fact, it does apply to the private sector but unless the applicant can fill into a career-related type of job there is no job there for the youth. I'm getting a number of calls right now that students are interested in jobs but not necessarily any kind of job, and the program that the Minister has announced doesn't help that many students; at least it doesn't look it's going to help the numbers of students that it helped under the old program that we had in place the last couple of years.

MR. SCHROEDER: Thank you, Mr. Speaker, I haven't heard of any students who don't want jobs that are career-related but if the honourable member can refer those people to the person in charge of that program, then certainly that's a matter we will take up.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. FILMON: Mr. Speaker, again with respect to the summer employment of students. The Minister has said that there are programs available for the private sector but are there programs available for private-sector employees with more than 10 staff members? His news release refers to only those with 10 or fewer employees.

MR. SCHROEDER: Yes, that's correct. It refers specifically to small businesses and farmers and it also refers to municipalities and other institutions and yes, there is a limit to the size of the business which is eligible for the program.

MR. FILMON: Mr. Speaker, my impression was that last year there were many of the jobs that were created by employers of sizes that were greater than 10 employees, so can the Minister indicate what the rationale is for that exclusion when it seems to me that there will be hundreds of jobs eliminated for students as a result of that particular restriction?

MR. SCHROEDER: Well, Mr. Speaker, we have allocated approximately the same amount of funds to the program as there was last year. If there is any difficulty with respect to uptake then I can assure the honourable members that what we will do is change the rules in such a way to make sure that money is spent on employment for youth. We will not change the program in such a way that we will not be benefiting the student and the small business community. We are concerned that it was, in the past, too often the large businesses, the large corporations that took advantage of a program which didn't necessarily provide any long-term benefits to the student other than the summer wages. What we were doing here is very specifically providing to the student some benefits which will be career-oriented.

I won't comment on the problems that the Member for Sturgeon Creek has right now, they are very obvious.

MR. FILMON: Mr. Speaker, I can't understand what the restriction between employers of 10 or fewer staff members or greater than 10 has to do with whether or not it's job-related, or whether it's meaningful employment, an experience for the students. That has nothing to do with the question I asked. Besides all of that, Mr. Speaker, how can the Minister indicate that there will be any adjustments made that will take place in time to help students. They're looking for jobs now they're not waiting for the . . . so can the Minister indicate when he'll give us the information?

MR. SCHROEDER: Mr. Speaker, there's no evidence to date that we won't have the full uptake of this program. What we said when we introduced the program was that we were concerned that small business get an advantage out of this. We, unlike the Opposition, believe that small business can, in fact, take advantage of this program. The Opposition seems to believe that the only people who can take advantage of this program is the large corporation. We don't happen to share that pessimistic view of Manitoba, and I suppose that was one of the things that was involved during the last election campaign. We were talking about small business in this province while all they could think about was the mega projects.

MR. FILMON: Mr. Speaker, I can shed some light for the Minister. The reason that he's not getting any complaints is that the applications aren't yet available. So, when will the applications be available so that people can apply for legitimate assistance under the

program that he says is so helpful?

MR. SCHROEDER: Soon, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. A. BRIAN RANSOM (Turtle Mountain): Mr. Speaker, in view of the fact that the province is facing such high unemployment rate at the moment, can the Minister of Labour advise the House whether there is any program of assistance that will apply to private sector, community organizations or to local governments that is not career-oriented?

MR. SPEAKER: The Honourable Minister of Labour.

MR. SCHROEDER: The member is aware of the programs that have been announced; if there are any further programs they will be announced in due course.

MR. RANSOM: Mr. Speaker, my question is for the Minister of Economic Development. Can the Minister of Economic Development confirm that a small business is a business that employs 10 or fewer people?

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. MURIEL ANN SMITH (Osborne): Mr. Speaker, the definitions of small business vary from jurisdiction to jurisdiction. We tend to use the smaller size in Manitoba than the Federal Government would. I hesitate to give a precise definition because I'd have to identify the context within which we're talking, but 80 percent of the businesses in Manitoba do come under the criteria of the small business interest rate relief and the main criterion there is \$350,000 net sales or turnover per year.

COMMITTEE CHANGE

MR. SPEAKER: The Honourable Government House Leader.

MR. PENNER: Mr. Speaker, before calling Orders of the Day I'd like to make an announcement of a Committee change. Tomorrow is the meeting of the Committee on Economic Development and the Member for The Pas will be substituting for the Minister of Transport on the Economic Development Committee.

ORDERS OF THE DAY

MR. PENNER: Mr. Speaker, would you please call, Orders of the Day, the second reading of Bills No. 2 and 20 in that order, please.

SECOND READING - PUBLIC BILLS

BILL NO. 2 - THE RESIDENTIAL RENT REGULATION ACT

HON. EUGENE KOSTYRA (Seven Oaks) presented Bill No. 2, The Residential Rent Regulation Act, Loi

sur le contrôle du loyer des locaux d'habitation, for Second Reading.

MOTION presented.

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

MR. KOSTYRA: Thank you, Mr. Speaker. A major campaign promise of the New Democratic Party in the November, 1981 provincial election was a commitment to reintroduce rent controls to the Province of Manitoba. That commitment was endorsed by the people of the Province of Manitoba.

On Monday past the government announced the contents of the rent control legislation and that a guideline or threshold for rent increases of 9 percent is to be set, retroactive to January 1st, 1982.

We believe that the need for rent control is even more paramount today than some six to eight months ago, Mr. Speaker. We anticipate adverse market conditions which, if left uncontrolled, would result in rapidly rising rents, place tremendous pressures on individual and family budgets and give cause to a wide variety of social problems. Rental accommodation vacancy rates are declining rapidly and rent increases are escalating.

The situation has been compounded by the lack of new rental accommodation construction because of the Federal Government's monetary policy of extremely high interest rates. This has discouraged investments in apartment construction. Complicating matters further is the recent Federal Budget which removed any incentives to build new rental accommodation in Canada.

In developing this legislation we have embodied the principle of being fair to both tenants and landlords. The proposed program provides for flexibility and the opportunity for landlords to demonstrate their need for increases beyond the set guideline. At the same time, it removes the unfair onus on tenants to initiate protests against a rent increase.

The new Residential Rent Regulation Act provides for the setting of rent increase threshold levels by Cabinet regulation; establishing a mechanism for tenants to protest any increase from January 1st whether above or below the guideline; replaces the system of voluntary and compulsory arbitration with a detailed study and recommendation on rent increases by rent regulation officer.

Rent is charged for a given premises rather than rent paid by a given tenant; a central registry which will register all residential rent increases in the province; a smoother administrative procedure. A residential rent regulation officer will not be required to hold hearings as was the case under the former Rent Stabilization Act.

After hearing a particular case, an officer will make a recommendation to the parties involved and if that recommendation is not appealed, it will then become a decision.

There's an incentive for landlords to rehabilitate rental premises and an exemption of four years for newly-constructed apartment units; the guideline figure which I indicated would be 9 percent for 1982. There will be two components with respect to increases.

An operating cost-pass-through and an economic adjustment. The operating cost-pass-through will be established on the basis of the average increases in operating cost which will be defined in the regulations. If a landlord finds the provisions for increases to be inadequate to cover actual operating cost increases, he may apply for rent increases over and above the rent guideline figure.

The economic adjustment will provide for an adjustment to an owner's income, or to cover in part, additional major interest costs whatever that cost may be. Because of the economic adjustment factor, Mr. Speaker, the program will not approve rent increases due to a specific mortgage situation. This mechanism will provide for more equal rent increases among buildings regardless of an owner's financing strategy. These are the major elements of Manitoba's new rent control legislation.

Since assuming office we have consulted regularly and frequently with developers, the Manitoba Landlords Association, the Manitoba Homebuilders Association and tenant groups to hear their concerns about rent control. The process of consultation will continue as the legislation is debated in the House and once it's approved and in place. This consultation has been valuable to us. We have come to better understand the problems and concerns of both landlords and tenants with respect to rent controls. We have addressed them in our legislation and as a result we will have one of the best pieces of rent regulation legislation in the country.

I repeat, Mr. Speaker, that we intend to assure to the maximum degree possible that the Rent Regulation Program will be both fair to tenants and landlords, not only in law but in practice.

With these few remarks, Mr. Speaker, I commend the Bill to the members for their due consideration and speedy approval.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. FILMON: Mr. Speaker, I move, seconded by the Honourable Member for Virden that debate be adjourned on this Bill.

MOTION presented and carried.

BILL NO. 20 - AN ACT TO AMEND THE CONDOMINIUM ACT

MR. KOSTYRA presented Bill No. 20, An Act to amend The Condominium Act for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

POINT OF ORDER

MR. RANSOM: On a Point of Order perhaps, here, I wonder if you in your capacity as Speaker, could intervene and direct that we might have the construction suspended while the House is sitting in order that we can hear the proceedings?

MR. SPEAKER: For the information of the members, I have sent the Deputy Sergeant-at-Arms to stop the hammering.

The Honourable Minister of Consumer and Corporate Affairs.

MR. KOSTYRA: Mr. Speaker, the members are aware of the introduction of The Residential Rent Regulation Act. That Act replaces the mediation and arbitration process for rent increases which was incorporated into The Landlord and Tenant Act.

The Condominium Act was amended to provide for mediation and arbitration of rent increases in rented condominium units under The Landlord and Tenant Act. Since that program is being discontinued, it's necessary that all references in The Condominium Act to the mediation and arbitration of rent increases under The Landlord and Tenant Act be eliminated.

The sole and only purpose of this Bill is to make the necessary deletions from The Condominium Act with respect to The Residential Rent Regulation Act. I commend this bill for consideration by the members.

MR. FILMON: Mr. Speaker, I move seconded by the Honourable Member for St. Norbert that debate be adjourned on this bill.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. PENNER: Mr. Speaker, would you please call the adjourned debate on the proposed motion of the Honourable Minister of Transport on the Crow rate?

ADJOURNED DEBATES - CROW RATE

MR. SPEAKER: On the proposed amendment resolution, the Honourable Minister of Government Services, standing in the name of the Honourable Member for Thompson.

MR. STEVE ASHTON (Thompson): Thank you, Mr. Speaker. I'm sure that members of this House are perhaps wondering why a Northern member is so anxious to speak on this particular issue.

I can assure members of this House that there are many farmers in my constituency — and when I say farmers, I use that word deliberately because although they are presently not involved in the occupation of farming, they are from farm communities, from a farm background and many of them when they can afford to, hope to return to that occupation — and I refer not just to people who have formerly been involved in agriculture in Thompson, but to the many sons and daughters of farmers who hope one day to be able to turn to their original areas and resume in the occupation of farming. So that is why I speak on this issue because, as mentioned, I do have a fair number of — and I use the word — farmers in my constituency.

I'm also speaking on it because I think it's an issue of provincial importance because in contrast perhaps to some of the comments the members opposite make about the North — some of the comments would show a complete ignorance of what has been happening in

the North — we in the North recognize the importance of agriculture to the Manitoba economy. We realize that without a healthy agricultural economy that the rest of the province will suffer. I would hope that the honourable members opposite would likewise show some understanding for the fact that so long as the economy of the North is not healthy, the rest of the province will suffer as well.

I must say, Mr. Speaker, as a new member to this House that I found the contrast in the positions expressed on this debate rather interesting, particularly the contrast shown by members opposite. A number of speakers have seemed to indicate that they support the resolution; others have spoken for 40 minutes and seem to indicate they're on both sides of the resolution; others seem to indicate that perhaps when the political time is right they will be voting against that.

My note in this regard perhaps is the fact that the Saskatchewan election has been completed, that it may be seen as a sign that the honourable members opposite can come out and state their true views which perhaps are not as solidly in favour of maintaining the Crow rate as their counterparts in Saskatchewan.

But we'll be waiting, Mr. Speaker, on this side of the House in the next few days now that the election in Saskatchewan is over, to see the true views of those members opposite, views they have done their best to camouflage to date.

The debate on this side of the House however, Mr. Speaker, is quite clear. We've indicated right from the start that we're concerned about federal proposals to abolish the statutory Crow rate and we've stated quite clearly we're opposed to these efforts. I really hope that members opposite will look closely at the reasons why we say this. I think, thus far, their position has been dictated rather more by political interest than looking at the facts.

Now our stand is clear as I said, Mr. Speaker. We feel the removal of the Crow would be harmful to Manitoba farmers and in particular we feel that establishing guarantees for the railways of Canada rather than guarantees for the farmers, would be a backward step. This is consistent, I think, in our view of what's happened historically with regard to the railroads.

If one looks at the original concessions made to the CPR going back to the 19th century when they constructed railroads across Canada, one can see that they've received much in the way of benefits from Canadians who built the railroads. I would note in this regard a resolution introduced by the Honourable Member for Elmwood in regard to taxation in the City of Winnipeg — a resolution which will be discussed within the next few days in the House — and he has indicated quite clearly in the resolution one of the areas of benefit which the CPR still has and that is, lower tax rates in the City of Winnipeg. But that is really the tip of the iceberg, Mr. Speaker, when one looks at the situation across the country because the CPR has millions of acres of land, preferential tax rates, you name it, they got it for building the railroad.

Actually the situation is not really restricted to the CPR because if one looks at the history of the CNR which was nationalized by the then Conservative Government at the turn of the century, one finds that

there too there was a great deal of benefit to the former owners of the CNR because they were bankrupt at the time and they received rather a good deal from the then Conservative Government. I suppose that is one policy of the Conservatives which is maintained. They seem to be good spenders of the public money when it comes to bailing out private business. They seem to have a rather loose purse string in that particular area but as I said, Mr. Speaker, both the CPR and the CNR have received great benefits in the past for their construction and maintenance of railroad facilities in Canada.

The Crow is an essential part of this. The Crow rate was one cost to railroads for the benefit of western farmers for their railroad-building activities in Canada. We feel as I said, Mr. Speaker, that it would be a backward step to replace one benefit that the people of Canada, the farmers of Canada receive with what is proposed by the Federal Government now and that being concessions for the railroads.

So that is the context of which we look at the issue, Mr. Speaker. Our concerns however are more than simply academic. They're more than simply political. Our concern is for the significant costs that could be involved to farmers in any change in the statutory Crow rate.

A lot of these potential costs were outlined in the Tyrchniewicz Report of 1979 which has been referred to in debate. I would note the eminent group of people involved with this study in addition to Dr. Tyrchniewicz, there was Dr. J.M. Cormack from the Manitoba Pool Elevators; Mr. R.J. Shep from C.P. Rail; Mr. E.A. Poyser at the Department of Regional Economic Expansion; Mr. R. De Pape, Branch Lines Association of Manitoba and of course, Dr. J.C. Gilson of the University of Manitoba. I know Dr. Gilson personally from my connection with him at the University of Manitoba and he has a great deal of respect, not only at the university, but in the agricultural community. We feel on this side it's perhaps unfortunate Dr. Gilson is now associating this great respect that he has with various people in Manitoba with an effort to really not give the farmers a best deal, but to negotiate the Federal Government out of the tricky political situation it's in when any attempt to change the Crow. We are perhaps sorry that Dr. Gilson has chosen to proceed in this way but we wish him well in his activities.

The Tyrchniewicz Report, Mr. Speaker, I think, outlined the basic concerns of the economic situation facing farmers with any increase in the Crow rate. The government has recently put out a document which has been well distributed entitled "The Tyrchniewicz Study, Manitoba without the Crow Rate," and I would certainly recommend it to all members of this House as a fairly concise summation of the concerns expressed in the Tyrchniewicz Report. Basically, the findings of the report were that any change in the statutory Crow rate would have a rather harmful effect on Manitoba farmers. In looking at the scenario in which farmers paid four times the Crow rate, the study found that Manitoba's annual agricultural production would fall by \$61 million, a net farm income by \$39.7 million. So that was one of the basic findings of the report.

Now, of course, reference also been made to the Snavely Report; but even the Snavely Report indi-

cated some concern about the situation regarding grain farmers and particularly in regard to transportation of grain to the market. It quoted specifically and this is a direct quote, Mr. Speaker, "The selling price of the export grain and grain products are not and will not be sufficient to maintain the financial integrity of all the participants of the total production and distribution process (e.g., farmers, producers, railways, elevator and storage companies, etc.)." So even the Snavely Report indicated some concern about the whole economic infrastructure that has been developed for the sale of grain for export. We, on this side, are concerned that those that will suffer are basically the farmers in this entire process and that is why we've introduced and spoken clearly in favour of this resolution.

Now, the specific concerns beyond the general cost can be broken down into a number of areas. Of course, we're concerned, first off, of the abolition of a statutory rate in and as of itself because the existence of the statutory rate over the past number of years — I believe it's over 75 years now — has provided farmers with one thing they could count on. One thing economically which is always there and that being the statutory Crow rate for the transportation of grain.

We go beyond that, Mr. Speaker, we're also concerned about the principle of equal rates for equal distance. It's more than just once again an abstract concern; we feel that if this principle is changed, if variable rates are adopted, that this could adversely hurt branch lines in Manitoba. We feel that the basic network of Manitoba branch lines is one of the main things in the viability of many rural communities, many agricultural communities. We feel that it could greatly hurt a number of communities in Manitoba and there are about 30 or 40 C.N. and C.P. points that have been indicated as being rather expendable if there is a change in the principle of equal rates for equal distance. —(Interjection)—

Well, the Honourable Member for Morris speaks well from his seat. I look forward to hearing his comments on this particular issue in the near future. —(Interjection)— Mr. Speaker, the Honourable Member for Morris seems to be one of the most active participants from his seat and I hope really that he'll be active in this debate. Perhaps now that the Saskatchewan election is over he can come out of the closet and state his true feelings on the Crow which I suspect will be in favour of the Federal Government's proposal from the comments in his seat.

But, Mr. Speaker, to get back to Manitoba's specific concerns. Our concern is also in regard to some of the component parts of the federal package which has been proposed. The Crow benefits or supposedly the Crow benefits package which is, I guess, the Federal Government's way of trying to buy off Canada's farmers. We're concerned because we're not sure from the way the proposal has been indicated thus far whether it will be much of a compensation at all. We have concern that with inflation the fixed annual payments that the Federal Government plans to pay will be worth less and less each year. We are concerned about who they're planning to make these payments to. Who is it, Mr. Speaker, the railways, the grain companies or the farmers? We really feel that, as it is right now, the proposal is rather to amorphous to

really tell who will benefit. We certainly feel it should be the farmers.

We would also like to know in terms of the general agricultural situation whether it will apply to just products moved under the Crow rate or to other agricultural products as well. So, these are a number of concerns that we have, Mr. Speaker, in regards to the principle of changing the Crow, in regards to the Federal Government's specific proposal to change the Crow. These are our concerns and this is why we've spoken so strongly in favour of this particular resolution.

Now, the question we have been asking basically, Mr. Speaker, is why the change? Is it the Federal Government's great concern for farmers of Canada, particularly the farmers of Western Canada? Well, Mr. Speaker, I don't think so. The Federal Government under the present Prime Minister has the last 14 years succeeded in alienating pretty well everyone in the west and particularly western farmers. I really say it's stretching it to say that the Minister proposing this — the same Minister incidentally who introduced the metric system for those members opposite — he should now show some great concern for the farmers of the west. So, that is not the reason, Mr. Speaker. So, what is the reason? Well, if one looks at projected estimates of the need to allocate new railway construction, one sees that, well, they're not really talking about Manitoba so much. Figures have suggested that they're talking about \$363 million between 1981 and 1990 in Manitoba; Saskatchewan, \$725 million; in Alberta, \$1,000,508,000; in B.C., \$5,127,000,000.00.

Well, Mr. Speaker, how many grain farmers are there in B.C.? Well, not too many. So, if one looks at it, it appears in those figures that there's something more to it. I would suggest, Mr. Speaker, that there is indeed something more to it and that is that the Federal Government is seeking to make the farmers of the west pay for the construction of railroad facilities, not for farmers, but for coal producers because indeed, Mr. Speaker, that is the area where it is projected that more railway facilities will be needed in the next 10 years; that's in the area of sending coal for export market specifically to Japan. That is, Mr. Speaker, why so much construction is seen as being necessary in B.C., why a lesser but greater amount than Manitoba is seen as being necessary in Alberta. That is why, because they want to construct more railway facilities for the export of coal. I say that's fine, Mr. Speaker, we should be encouraging exports of coal, of our natural resources. I say it's fine to construct the railroad facilities to do that. But I say it is wrong, I say it is totally wrong to make the farmers of Western Canada and particularly the farmers of Manitoba pay for that construction. That, Mr. Speaker, is why I, as a northern member, concerned about the wellbeing of our agricultural community, why I as a northern member am concerned about the wellbeing of Manitoba as a whole, am speaking 100 percent in favour of this particular resolution, and that is why I would urge those members opposite when they do come out of the closet on this particular issue, when they do finally state clearly what their stand is, that they adopt the approach taken by the parties of Saskatchewan in the past election, taken by the Liberals, by the New Democrats and yes, Mr. Speaker, by the Conserva-

tives; the approach that the new Premier of Saskatchewan has said that he takes and that is that he is opposed to the change in the Crow rate.

I would urge them, Mr. Speaker, to stick to the historical stance of the Conservative Party as indicated quite clearly by the Minister of Natural Resources in his contribution to the Crow rate; as stated by such well-respected Western Canadian figures as the late great Honourable John Diefenbaker and that was a position —(Interjection)— God rest his soul, the member says and I agree with it. I was a great respecter of John Diefenbaker and I wish, Mr. Speaker, that members opposite would respect his great concern for the farmers of Western Canada, respect that great concern shown on this particular issue when he stated clearly that he was opposed to any change in the Crow rate. There was a person with a real concern about Western Canada, Mr. Speaker.

The parties of Saskatchewan have indicated that, they have taken a nonpartisan stand on that. I know it's difficult in this particular Assembly to avoid excesses of partisan rhetoric; all parties are guilty at times of doing that, but on this particular issue, Mr. Speaker, after the main political reason for hiding debate has been eliminated, now that the election of Saskatchewan is over, I would suggest very strongly that the members opposite join with us in telling the Federal Government that we're opposed to a change in the Crow rate.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID R. (Dave) BLAKE (Minnedosa): Mr. Speaker, I wonder if the member would submit to a question, he has time left.

MR. ASHTON: Mr. Speaker, I would prefer to hear the honourable members opposite state their position on this particular issue. I would not want to take up the time of this House to ask a poor new member from the North these questions.

MR. SPEAKER: Order please.

MR. BLAKE: So the record will show, Mr. Speaker, the Member for Thompson will not submit to a question.

MR. SPEAKER: That is the indication I have received. Does the Member for Minndosa wish to debate the motion.

MR. BLAKE: No I just want to let the record . . .

MR. SPEAKER: The Honourable Member for Morris.

MR. CLAYTON MANNES: Thank you, Mr. Speaker, I welcome the opportunity to debate the resolution, but I'm hard pressed to decide on what account to debate it; whether on a political basis or whether on an economic basis or, indeed, on an emotional basis. Of course, we've heard all three, specifically the political and the emotional approach from the members opposite in all the debates we've heard today.

When the Minister of Transportation rose here

some three weeks ago or so to present the resolution, he indicated that, in fact; he wanted it to be a nonpartisan type debate and hopefully there would be a joint acceptance of the resolution. I suppose I, as one, wanted to agree wholeheartedly with that intent, but I suppose when one reads the dogma and the emotional writings of a particular political party, both federally and as we have seen in Saskatchewan and to a lesser degree in Manitoba, I'll give our government that credit, one realizes full well that this, indeed, is a political issue and to that I say, alas. It's a sad, sad documentary, I think, on our whole agricultural situation.

Of course, the members on our side, as the Member for Pembina has said the other day, we realized fully well why, in fact, the NDP, both federally and provincially, wanted this to become a political issue. We know what they are after and what they hope the windfall and the net result would be of attempting to debate in only one way. So there's the political approach and then there's the decision as to whether one should argue it on an emotional high. I listened to the Minister of Transportation on a television public affairs program some two or three weeks ago and, of course, if you listen closely he would have anybody convinced that we'd be looking at \$2.00 transportation rates per bushel to move grain within ten years. I say that if that isn't an emotional outbreak, then certainly this has to be when you see a headline saying that the "Crow plan seen costing Saskatchewan \$2 billion yearly." This came out of Saskatchewan and I think it was the former Agriculture Minister in Saskatchewan, one Gordon MacMurchy.

Of course, we hear members on the other side indicating that, in fact, it's going to cost the Manitoba economy \$100 million a year and we hear the CPR drag in all the history and all the hotels and minerals brought into the debate. If that isn't an emotional argument and one based on rhetoric, I don't know what is.

Then, of course, your tempted and I think some people are hoping, at least those people that maybe aren't as political in nature are attempting to argue this on an economic viewpoint. They're attempting to present the facts, not only by way of a Tyrchniewicz Report, but indeed the viewpoint from the farm community as to what the costs are of not moving grain; indeed the processing industry as to what happens when products have to move at a compensatory rate versus the Crow rate issue. Of course, people address the whole livestock area and to me these are the people that should be receiving most of the attention in this whole discussion, those people that are trying at least to argue the whole issue on an economic footing.

I'd have to say that the most important aspect, at least, from where I stand as one member of our P.C. Party is that we wonder whether we should, in fact, debate at all or should we sit back like the nothing-doing party across the way there and hope that this colossal issue of western transportation will go away. If we just say no, no, no, no, it will fade away and maybe we won't have to deal or wrestle with this problem for another 20 years. We know full well that even to debate issue allows others, those opposed to an review of this vital issue, allows those in question

to cast doubts upon our concerns and upon the concerns of rural Manitoba. But we are prepared to debate the issue as we have in the past and as we will continue to in the future.

Mr. Speaker, let's place into certainty two facts. Number one, to review, we will debate the issue, and we have said and we've indicated on a number of occasions that we support attempts by all those with vested interests to reach a compromise. We support the Gilson attempt to reach some negotiated compromise.

Our second point is that we will not subscribe at this point to the dogmatic do-nothing approach of the government opposite. And why are we prepared to see the Gilson approach go forward is because we choose to support the attempts to compromise realizing that the most crucial political fact of this debate is that nobody, nobody, nobody represents better the interests of Manitoba farmers than the group of people you see sitting here, absolutely nobody. That's been that way in the past, it's that way today and it will be that way in the future and that will never change. It will never change. We will not, and I say again, we will not be moved, and you can try any political ploy you so choose, but we will not be moved from caring firstly, completely and foremostly for the well-being of Manitoba's farmers.

Indeed, look at the makeup of this Chamber. By my rough analysis, there are some 20 exclusively rural members — I'm not including the members from Brandon and the members from Thompson — and how many of them, indeed, are farmers? How many of those areas are represented by the PC Party? 15 people out of 20. Does that not say something? I think it does. What about the farm production value? Is it 85 percent of the farmers that produce 85 percent of all the productive value in the area represented by members on this side? And does somebody want to challenge me on that possibly? Maybe the Member for Thompson who seems to be an agriculture expert. Maybe he wants to challenge me on that figure and I welcome him to it. So we're not the government, but we'll not be moved from representing best, and I say we will not be moved from representing best, the feeling and the attitude of rural Manitoba in this issue nor, indeed, in any other. So let's continue to debate the issue but let's be fully cognizant of the ground rules: namely that our party is the voice of rural Manitoba and secondly, that under no circumstances are we going to barter away our future well-being. Our rights are equally important, our future as the best grain producers in this world, and no way will we barter away that future. So I think, at least, we should know where we stand.

I listened with much interest to the Minister's speech and I'll say right off from the start that I, and I know many of my colleagues also, supported a large majority of the things he had to say and that may or may not come as any surprise to the members opposite. I was waiting for and, no doubt, I wasn't surprised; I wanted to see how much of the speech was directed towards the CPR. I've been listening carefully to the other members and their presentations to see, in fact, what percentage of their speech has been directed specifically to the CPR. I detected that at least half of the Minister's speech was given to that

railway and to its history and to the development of the Crowsnest Rate Agreement. I think the point that he and the other members are trying to make is that the CPR has absconded with Western Canadian wealth and they have built all these large concerns within an extended corporate empire and that now is their time to help the grain shippers to maintain the Crow rate. As a farmer I'd say I'd love to accept it. I'd love to accept that logic and that reasoning. It makes sense. I mean it makes real sense if I could say, well, I'll grow the grain; it won't cost me anything to move it, let the CPR worry about it and I'll just grow the grain. But I have to appeal to another source of logic.

The Right Honourable John Diefenbaker has been mentioned on many occasions but one thing has not been mentioned at all in regard to his government and to his coming into power in '57, and the fact that he had some of the same concerns as we all do about the CPR. Did they, in fact, have the right or did they owe it to Western Canada to continue to move grain forever in lieu of the grants given to them at that rate? That's why I find it extremely intriguing that in all the information that has come out from this government, not one reference is made to something called the MacPherson Royal Commission, not one reference made to it. Because who set up that Commission with the very same concerns of the members opposite and, indeed, some of us here also? One John Diefenbaker set up that Commission. And what was, in fact, one of its main terms of reference? It was to determine and I quote, Mr. Speaker:

"Whether and to what extent The Railway Act should specify what assets and earnings of railway companies and businesses and investments other than railways should be taken into account in establishing freight rates."

The NDP argument was further expanded, and I'm continuing to quote:

"The Commission reports that some have suggested nonrail assets are at least in part the result of national grants made to the railway companies over the years and to encourage the building of the railways. If this is so, it is claimed that it is only right that the profits should be used to assist in the transport of goods in the nation or, at least, in that part of the nation where the grants were made. We can find no evidence that either the donor or receiver contemplated such action. Grants were made to get the railways built. The technical superiority of the railway for land transport was so great that even relatively high rates were very attractive. Presumably, the grants were no greater than was required to get the job done. Therefore, we do not recommend that assets and earnings of railway companies and businesses and investments other than railways be taken into account in setting freight rates." Royal Commission, brought into being by who? The Right Honourable John Diefenbaker to address the very same concerns of the members opposite, indeed, many of us also have today. How did it rule, that ruled that, in fact, those grants could not be taken into account? But, is that ever mentioned? Indeed, is that mentioned at all in the Minister's information that has been forwarded to the farmers of this province? Never heard it.

Now, I'm saying it's not cast into stone but will the government include that information in its literature

mailed out to farmers? Will it, if it sends out some more? Well, I doubt it.

Then we move on to the CPR; this hated corporate giant. Why does it exist? I'm not a lover of the CPR. The fact that the railway goes right by my door and it has done a credible job of moving our grain and represents our lifeline, I'm still not a lover of the giant. But, why does it exist? I notice also the information that comes from the side opposite always begins conveniently in 1881. No mention is made of the 10 years previous to that where this nation offered to many companies the same incentives to build a railway. If I could quote again, it says: "In 1871, when British Columbia joined Confederation there were only about 4.5 million Canadians, only 137,000 of them lived in the west, mostly concentrated in southern Manitoba and B.C.'s southern coast." Well, we know all that. It's said however to get British Columbia to the Confederation — the government of the day promised to build a railway to them within 10 years, and we know that.

But, by 1980, however, the link still had not been built, although attempts had been made. First of all, the Federal Government had offered Sir Hugh Allen \$30 million and 50 million acres to do the job but this scheme failed in 1873. A similar offer was made in 1874 but no interest was shown. After failing to get a private company interested the government started to build the railway in 1874. Some progress was made, although only a fraction of the 700 miles under contract had been completed by 1880, and that year a Royal Commission concluded harshly that government appointees involved in the work "were not efficient" and there was "much less regard to economy than when it happened under similar circumstances in private undertaking."

Then in October, 1880, the Prime Minister MacDonald signed a contract with a group of businessmen headed by George Steven, President of the Bank of Montreal; and the rest is history. So, why does CPR even exist? It exists because 10 years previously other private concerns, indeed, the government itself of the day could not build that railway.

So, I wonder if there's a lesson in it today? I think it says that the government is involved in any effort guarantees absolutely nothing. It can't guarantee jobs everlasting nor can it guarantee service. I wonder if the members opposite will accept that or not? Matter of fact, I serve a challenge to the rest of the members that are going to speak on this issue. I wonder if they can make a presentation without mentioning the CPR previous to 1960. I wonder if they can do so? I'm betting that they can't. They'll not be able to do it because their entire campaign against the Crow review is based, not upon future benefits but indeed upon the CPR history and the rhetoric. I don't want you to take this as a conclusion that we're in opposition to everything the government has said on the issue; that is not true. Indeed, I support I would suppose, as I mentioned before, some 75 percent of the statements made by the Minister.

When the Minister states and I quote: "If the Crow rate is abolished and if the cost of hauling grain moves up sharply not only farmers but the whole Manitoba economy would suffer"; and he is correct, of course, he's correct. But, there are two comments in that

particular statement. He says the word "abolished." I know it's nice to say that the Crow rate is going to be abolished and never again see the light of day. I can say that if the majority of producers in this country believe that to be true there would have been more than five of them out at Portage the other day; there would have been more than 15 of them or so out at Winkler, if they believe that abolition of that particular statute in fact was coming into existence at all.

So, we differ on the views, on the words abolished or the consideration of the future. I hear the Member for Radisson who thinks that farmers are what? Are ignorant because they didn't show up en masse to these meetings. Well, maybe they are. Ignorance is bliss he may want to add to that. The Minister states, as I said, do not worry about the future, political actions will force the grain to move. I say a vast majority of farm people do not support that view. They know that the grain did not move in '78-79 and it cost the farmers of this nation \$1 billion in lost grain sales. They know that they carried as western Canadians, roughly \$1 billion a year in unsold and unwanted grain inventory on their farms. As I had the opportunity to show the Minister the other day - I did some rough analysis - and these are carry-over figures of grain that exists on the farms, not in the system, because I move it to the primary elevator, I'm paid for it and I don't worry about it as much. But, grain that stays on my farm is unsold grain and it has a cost against it. That represents, by my analysis, every year some \$1.4 billion of unsold grain. Of course, not all of it, there are good reasons why some part of it should stay on the farm, naturally. I would say one third of it. But what about the other \$1 billion that sits in the bins which is not wanted. What is the true cost of it and what are the benefits of a Crow rate if in fact that grain does not move? What are they? I'll lay this into record and I'll show it to anybody that so wishes to see it.

Do the members opposite now understand why when cars were identified as the bottleneck in the grain handling and transportation system that the Canadian Wheat Board, on the farmers' behalf, took \$100 million of the farmers' own money and bought hopper cars. Do they understand why the Wheat Board did that? Do they understand that the cost of building an additional bin to maintain inventory is some 50 cents a bushel today? Do they understand that fact? If they do and if they can, they'll understand also why 10 cents a bushel lost to the Canadian Wheat Board revenue; lost by revenue because in fact, it didn't come out by way of a payment, it was withheld from us, but, it was directed instead into hopper cars. But, that 10 cents a bushel was small value to pay when grain worth \$5 a bushel in the world market was on my farm and could not move because of an inadequate system. I'm wondering if they can come to grips with that particular concept? That's the most disturbing part about it, when they realize that 10 cents a bushel over all the bushels moves up to \$100 million very quickly. But if we do not sell half a crop we're not talking about \$100 million, we're talking about billions of dollars. If they can understand that concept at all they'll then realize why a large, large number of farmers are prepared to negotiate and want to see resolved the Crow issue. They're not indicating that they will - producers I'm talking about - allow them-

selves to behold ransom to open-ended rates, indeed, many of them are playing their cards close to the vest, and are making no references to increasing their givings at all. Without doubt the vast majority are in support of the Gilson exercise and his attempts to reach a compromise. If the compromise has producers paying more, which undoubtedly it will, then the producers will react and, indeed, our party will react.

We're constantly accused, why don't you debate it, well, let us see what Dr. Gilson has to say and then we'll see who leads the debate and who has the farmer's concern closest to their hearts and who understands the issue. To me absolutely the most absurd item on this whole discussion has been the approach of the National Farm Union and the NDP on this issue. Surely the NDP opposite must ask themselves daily why did the Crow rate issue bomb in Saskatchewan and why did rural Saskatchewan lay such a political beating upon Blakeney and friends. What happened? Are they saying, as the Member for Radisson does, that the farmers are ignorant they don't understand the issue or is it fact maybe the producers themselves understand more better.

MR. SPEAKER: Order please. The Honourable Member for Radisson on a Point of Order.

MR. GERARD LECUYER (Radisson): The Member for Morris puts words that I haven't stated. The Member for Morris quotes that I have stated that the farmers are ignorant. I'll have the Member for Morris know that I haven't even spoken on the Crow rate yet. Awhile ago he made a comment and I said the Member for Morris will want the farmers to remain ignorant, for them ignorance is bliss, that's what I said.

MR. SPEAKER: Order please. I thank the honourable member for that clarification.

MR. MANNES: Thank you, Mr. Speaker, the member has it on the record and that's fine with me, I'll leave the issue there. But, again, surely the NDP must ask themselves why the issue bombed in Saskatchewan and surely they must say that they, indeed, are out of touch completely with rural Saskatchewan, indeed, they're out of touch with rural Manitoba. That is driven home even moreso when we're now discussing the new beef program and the Farm Interest Relief Program and all the other new programs this government is trying to bring into being and how far out of touch they, indeed, are with the citizens of rural Manitoba.

Well, Mr. Speaker, I suppose the matter that has disturbed me the most though personally is the political manner in which the government has chosen to interpret some of the material that is distributed freely to all concerned, primarily the Manitoba farmers. I can accept the attack on the CPR and I can accept the attack upon Ottawa and Pepin for the manner in which this whole issue was introduced; I can even accept the attack upon, believe or not, the Conservative Party for not jumping to debate this Resolution, even though our desire for doing so was again to wait for Gilson's report; I can accept those criticisms. However, I've found it difficult to, on one hand, listen to the Minister say, supposedly sincerely, I want this to

be a non-political jointly supported Resolution and, on the other hand, the First Minister saying - and again I challenge anybody to say I'm wrong - gleefully rubbing his hands, ho ho, we'll see how you stand on the Crow rate, and how many times has he said that.

Indeed, the Attorney-General last Friday attempting to limit debate on that particular . . . so a non-partisan debate, surely you don't believe that. What is even worse though is the interpretation given to some of the facts as presented. For example, we hear the comment 2/3 of the grain goes east; 9/10 of Manitoba's goes east also. All I can say is, so what. What does that have to do with the issue. Because if you understand the quota system - and the Member for River East is shaking his head, - he doesn't even understand the issue. Sure we're closer, sure we're located closer to Thunder Bay, so what. Do the members realize that if Saskatchewan wheat can't go west it comes east and it has as much right to the network and to the transportation system as a bushel of Manitoba wheat and the fact that we're located some 1500 miles closer has absolutely nothing to do with the issue. Do they realize that? I don't think they do. Under the quota system do they realize that Alberta has as much right, indeed, the very grain producer in the Peace River section of Alberta and B.C. has as much right to Thunder Bay capacity as a Manitoba farmer. Do you understand that.

If west coast movement drops at all, if it can't handle the increased movement, who is affected, who suffers. We suffer, we suffer as much as any farmer in Western Canada. Or should we disregard the Prairie Canadian Wheat Board concept, the quota system, which I know that party subscribes to so greatly. So that's a fallacy I think that should be put to rest, saying that 2/3 of our grain goes east and 9/10 of Manitoba's grain goes east. So let's divide ourselves from this Crow rate issue as Manitobans, let's not be concerned.

The next comment, only 4 percent is to be spent in Manitoba, just a few minutes ago, indeed, the Member for Thompson got up and said only \$300 million is going to be spent in Manitoba and again I say, so what. What does it mean? Is it our fault that the mountains aren't here? Why do you think \$5 billion are projected to be spent in B.C.? Because the cost of one of those 3-mile tunnels, or however long, is \$1 billion, that's why. So what would you suggest, that we move the mountains here and that'll give us a greater share of the cost, is that what you're asking for?

Steel, labour, specialized railway equipment is needed and can we provide that? I wish we could, we could probably provide some labour, the Lord knows that, we've got lots of unemployed labour here, 10 percent and rising. But do we have steel, do we have specialized railway equipment, no. Indeed, I'm wondering if they're going to use the same argument when they're negotiating the Alberta-Saskatchewan-Manitoba Power Grid, are they going to allow Saskatchewan and Alberta to say, well, we don't want to be part of this because only 10 percent of the capital of costs is going to be spent in our provinces and you in Manitoba, you're going to be receiving 80 percent of it. Does the logic sound there? — (Interjection) — That's exactly it. It is the ostrich approach.

The coal issue, I wonder if the Minister and the government realizes that if the coal movement does

not materialize and it's a foregone conclusion, I know in their mind and indeed let's hope for this nation's sake that it does occur, that there is considerable doubt if it does not materialize. They, therefore, will claim that we will not need the expenditure, but do they also realize that we're projecting exports in this country of 35 million tons of grain alone in coming up, and that indeed half of that amount will be going west coast and right today the present system that we have in place could not handle it. As a matter of fact, my sources tell me that we're within two or three trains a day of maximum capacity on the existing system. —(Interjection)— one, well, I've even heard one too. I tend to exaggerate, I'll exaggerate it to two.

But indeed the system we have in place today couldn't even carry the increased grain traffic, so don't bring in coal as an extra issue, saying that in fact that if coal doesn't move that the grain will. But the worst, without doubt, interpretation is that which is given to the Tyrchniewicz Report. I do not find fault with the report bearing in mind it is nothing more than a mathematical exercise following basic assumptions. I know all those members that the Member for Transcona listed. I know all the people that looked at that report and if he understands economic theory at all, he'll understand that you look at the assumptions and you say, yes, I can support the conclusions of the report as long as the methodology is in place and as long as you are cognizant of the fact to what the assumptions are, but nowhere in the information that is sent out to the producers of this province is the most basic assumption in all that report spelled out. What is it? That all the grain will be moved and that's why and when I realized that this whole issue was becoming a political issue, when the Minister opposite and the government of the day would not even give the farmers of Manitoba the understanding that what the basic assumption was of that report.

What happens if that one assumption, just that one assumption is violated? The study has no validity, absolutely none. Everyone of you that have taken any economics or have a study at all know that fully well. Why don't you come clean? Why don't you be honest and say so? No validity at all, naturally. Indeed, it's because so many farmers realize and know the true costs of carrying over inventory that they will not support the NDP approach of doing nothing. An increase in 10 cents per bushel for rail cost moving, and I'm not advocating it, but an increase in 10 cents per bushel for the additional cost in moving the cost of grain is little in comparison to the interest cost in carrying over \$50,000 of unsold, unwanted grain. Do they understand it? I don't think they do. That is why I think the mad, insane, unsound and crazy allegations that grain movement will cost grain farmers \$2 a bushel in 10 years, for the Province of Manitoba \$100 million a year, are creating tremendous anxiety amongst farmers because they know better.

What's the second issue? The report also relies heavily upon an input-output model for 1968, input-output model. We're given all these divisional or district comments and I wonder if they will also tell you that any economists will tell you that an input-output model is the greatest theoretical toy that has no reference to the real world that was ever developed. By the time all the variables are measured, the relationships

between sectors and industries within the economy of change, then the results are meaningless. Why do you think the input-output model is based upon 1968 data? Twelve years out of date, because in no way can the results be given with any degree of confidence to prove a point. As aside, I wonder why the NDP makes such an issue of the loss of 1,200 jobs to the province in this Crow issue on the basis of this report and yet when the Restaurant Association indicates that 1,200 people will be thrown out of work immediately as a result of an increase in minimum wages, no comment is made. Why?

What about the third issue? When I become very suspicious of this report, of course, one aspect of the report that makes me very nervous is that, and if the members opposite will take their time to read it, it has Manitoba Grain Growers increasing the acreage of oats significantly in order to support an increased livestock base. I tell you when that comes forward by way of report, that whole report is suspect. So, again, I know the authors personally. I also understand the theory built in upon the assumptions and I also understand why the Progressive Conservative Government didn't release that, because they know that if they had taken that out to farmers with a basic assumption that all the grain moves, they would have been laughed at, but you don't understand that to the members opposite.

Well, Mr. Speaker, these are some of my concerns as related to the so-called unbiased release of some of the information; other parts were, of course, accurate. I'll say that here completely that there were many parts of the information release that were accurate, certainly, by my understanding.

I'd like to quote though from a farm group brief given to the Gilson Commission as to their attitude. I think this sums up best what the attitude in the farm community is. I'm not saying this indeed is our feeling to it, but personally I think it sums up best the rural position on this whole Crow rate issue and I quote: "As a producer organization we are aware of the risks to the producer in this exercise. Producers are faced with a choice of living with the present rates and situation and the strong probability that the rail-transportation system will become a serious handicap. They're faced with that choice or looking somewhat optimistically to the future and agreeing to negotiate paying more in return for a better transportation system. Producers take the optimistic view." —(Interjection)— Well, I'll tell you who said that. Manitoba Pool Elevators said that and they speak for 18,000 producers in this province.

Well, what are some specific views? I think I should give some of my personal views and I want to disassociate them from my party. What can I or can I not accept? Well, I cannot accept a freight rate structure which will have an open-ended escalation clause that would result in increased freight charges automatically resulting from increases in domestic inflation. Never would we be party to a proposed solution that would in effect leave us at the mercy of compounding inflation rate which could see us paying 10 or even 13 times Crow in some 10 years.

(2) I believe that the railways should be adequately compensated for hauling grain, that is, given a fair rate for hauling grain. The railways are our lifeline and

if we can grow vast quantities of grain, but to no value to either ourselves or to this country, it does not move. Fair, in our estimation, does not mean 25 percent return on investment or invested capital. Cash costs must be covered. Railways cannot be expected to be relieved entirely of their statutory obligations. With the NDP, we agree on this.

(3) The anomalies of freight rates between processed and unprocessed products must be resolved, certainly in the area of canola or rapeseed processing. The two major processing plants in Manitoba may well falter if an expedient settlement in this regard is not found. The Manitoba Government is obvious in their disregard for the entire industry. Again we ask, are they prepared to support rapeseed product movement as are the Governments of Saskatchewan and Alberta?

(4) I accept the whole process as political and, as such, the information released by all interests to the farm community is slanted. This is certainly true of the information released by the Provincial Government for the reasons I have presented earlier. In this regard we challenge the NDP in their inconsistencies. They say they support the status quo and yet they say they support the Hall Commission Report also, and I wonder how many of them have even read that report because the Hall Commission Report also recommended the abandonment of countless hundreds of miles of prairie rail. So what are they for, status quo or not?

(5) I cannot support the concept of variable rates for equal distance. We fully acknowledge that such a system would have negative effects upon many of the smaller communities. We also realize, and I wonder if the members opposite, indeed, the First Minister was cognizant of the fact that the number of primary elevators in the prairies have dropped from 5,145 in 1965 to 3,133 in 1981 even with the benefit of nonvariable Crow rates? Do they understand that? And what about some of the elevators predicted as headed for demise by the First Minister?

(6) We have, as yet, an open mind as to who should receive any government payments, although in no circumstances should it be paid in a manner that appears to be a producer subsidy.

(7) That in return for increased payments to railways, that the railways be required to provide the facilities and equipment required to move the expected volumes of grain.

And (8), my final comment, Mr. Speaker. The Federal Government must be prepared to support in a major continuing manner, the whole upgrading of the western grain network.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for River East.

MR. PHIL EYLER (River East): Mr. Speaker, I wonder if the Member for Morris would entertain a question?

MR. SPEAKER: Order please. The honourable member's time has expired. If the member still wishes to answer a question, it would have to be by leave of the House. Leave is not given.

The Honourable Member for The Pas.

MR. HARAPIAK: Mr. Speaker, I move, seconded by the Member for Rupertsland that we adjourn debate.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. DESJARDINS: Mr. Speaker, I move, seconded by the Honourable Minister of Highways, 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.

May I inform you, Sir, that there's been an agreement that we will waive the Private Members' Hour and that Committee will go till 5:30.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Flin Flon in the Chair for the Department of Health and the Honourable Member for The Pas in the Chair for the Department of Labour and Manpower

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — LABOUR AND MANPOWER

MR. CHAIRMAN, Harry M. Harapiak, (The Pas): We call the committee to order. We are on Labour and Manpower, page 83 of our Estimates. The first is General Administration, 1.(b) Administration.

Mr. Minister.

HON. VIC SCHROEDER (Rossmere): I have a brief opening statement. The department has experienced some recent structural changes and now operates with four divisions reporting to the Deputy Minister including Labour-Manpower Administration and a new division entitled "Industrial Relations." The Women's Bureau continues to report directly to me.

In addition, the Workplace Safety and Health Division and the Workers Compensation Board have been transferred from our department to the Department of Northern Affairs and Environment. This transfer is combined to closely related areas of the Environment and Workplace Safety and Health under common leadership and direction to ensure the maximum benefits to the province. The Industrial Relations Division has been established under the direction of Maurice Eyolfson and is composed of the Conciliation Branch and the Employment Standards Branch which were previously included in the Labour Division. These branches have formed a functional unit that will more effectively meet the challenge of increased demand which has been placed on industrial relations in Manitoba in the last number of years.

Initiatives we are taking during the current year include increases to the Manitoba minimum wage which has not kept pace with inflation. Also, we intend major reforms to the pension system which will ensure a secure and dignified retirement for the workforce and, in particular, our elderly whom we honour this year in the International Year of the Elderly. The department also intends to enhance the staff resour-

ces of the Manitoba Labour Board so they may deal with their increasing responsibilities more adequately. Increased responsibilities will be given to the Labour Management Review Committee so that industrial relations may be improved. Our government has also recognized the weakened economic conditions in the province which have resulted in spiralling unemployment levels and an unacceptable net provincial out-migration.

Through our Manpower programming and related government programs, our department is committed to provide increased training opportunities in those occupations that are experiencing shortages of skilled workers. Areas of concentration will include apprenticeship training and, in particular, those trades experiencing critical shortages. Revitalized efforts will also be made to increase the accessibility of training and employment to those Manitobans who have experienced severe limitations in the past among whom are included, women, Natives, the handicapped and the elderly. The Manpower programs will be actively involved to ensure that Manitobans will obtain maximum employment benefits from the various new major projects and initiatives which are currently being negotiated with the Federal and Municipal Governments, with the private sector and those being undertaken by our own government.

In order to meet these new challenges and our stated commitments, my department has increased its staff complement for 1982-83 to 735 staff years from 725 in 1981-82. We have also increased our 1982-83 budget to \$20,488,800 from \$18,416,000 in 1981-82, representing an 11.3 percent increase. These figures include \$3,276,400 of our ongoing northern programs which are included in the Northlands Agreement and are currently under negotiation with the Government of Canada. Funding for these programs has been included in an enabling account in the Department of Finance. I have provided you with a brief overview of the policy direction that the Department of Labour and Manpower will be pursuing in 1982-83. I am confident that the members present will have many questions relating to Budget detail of each branch and I would request that the specific questions be raised by sub-appropriation as we proceed through the printed Estimates. Thank you.

Mr. Chairman, if I might just introduce my Deputy to the members, Mary Eady.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G.W.J. (Gerry) MERCIER (St. Norbert): Thank you, Mr. Chairman. The Honourable Minister has referred to increases in staff man years and, perhaps, as we go through the various departments, he could advise where those staff man years are taking place.

MR. SCHROEDER: I think I have a separate sheet here indicating individually where all the increases are. The increases come, first of all, in the administration . . .

MR. MERCIER: I wonder if the Minister could undertake to supply me with a copy of the sheet to expedite matters?

MR. SCHROEDER: Yes, I'll provide the member with a printed listing of the new positions, certainly.

MR. MERCIER: Mr. Chairman, before I make another comment to him, I wonder if the Minister could provide me with an organizational chart.

MR. SCHROEDER: Yes, I have one extra one here. I can pass it on to the member.

MR. MERCIER: Thank you, Mr. Chairman. In his introductory remarks, the Minister has referred to some items of legislation and some specific items. We will, during the course of the Session, be debating the legislation he brings forward and during the course of these Estimates, be debating some of the particular matters that he has referred to like reforms in pension.

But in responding to his introductory statement, Mr. Chairman, I do want to indicate that our major concern in Opposition is jobs and the levels of unemployment in Manitoba. We were extremely dismayed to see the most recent unemployment statistics which showed an increase in unemployed persons of 6,000 in March of 1982 compared to March of 1981 and the predictions are gloomy, indeed, about the future unemployment levels. I do want to bring to the Minister's attention, Mr. Chairman, that from 1977 to 1981, the statistics show an increase of jobs in Manitoba of some 35,000. Comparing those years with the years 1974 to 1975, there were only 10,000 jobs created during those years. The last, the second term from 1974 to 1977, the second term of the previous NDP Government. In addition, during 1977 to 1980 the vast majority, overwhelming majority, of the jobs that were created were created in the private sector. In fact there was a reduction of employment in the public sector so there was, indeed, progress made during the last number of years and we hope that trend will continue, but the economic situation in Manitoba with the increase in bankruptcies does not hold well for employment in Manitoba in the future under this government, Mr. Chairman. We hope that the Minister will use his office as Minister of Labour in Cabinet to influence his government to begin serious negotiations of the large projects which have been scheduled to begin in Manitoba to provide more jobs for Manitobans, Mr. Chairman.

There are specific election promises which the NDP made, Mr. Chairman, some of which have been referred to in the House during question period and some of which I will raise during specific items under discussion in these Estimates. There was, Mr. Chairman, a promise in the Throne Speech to introduce first contract legislation and also to, I believe, introduce legislation on the concept of equal pay for work of equal value. I wonder if the Minister could, under this section, indicate whether legislation on either or both of those topics will be introduced in this Session of the Legislature.

MR. SCHROEDER: Mr. Chairman, we do expect to introduce legislation with respect to first contract, legislation with respect to equal pay for work of equal value is being worked on. I don't believe that it will be introduced in his Session.

MR. MERCIER: Mr. Chairman, not having any details, could the Minister indicate what changes he has made in the organization in this area of administration?

MR. SCHROEDER: Mr. Chairman, there weren't any changes in the Administration Division.

MR. MERCIER: Is there any increase in staff man years in this area?

MR. SCHROEDER: Yes, there is one staff year increase for an Executive Director for the Advisory Council on the Status of Women. That position has not, as yet, been bulletined for, and there is also a-half a staff year to provide part-time clerical assistance to the Advisory Council on the Status of Women. I might add that we had, as the member probably knows, that advisory committee was set up, I believe, in 1980 and is now in a position where it is functioning and requires the assistance of some staff and it has been very strongly urged on us by that group that some assistance be provided.

MR. MERCIER: Mr. Chairman, how does the Minister compare that position to the firing of Eveline Holtmann?

MR. SCHROEDER: Yes, that's a very good question. When I took office, I discovered that I was in charge of the Women's Bureau. There was also an Advisory Council to the Minister of Labour with respect to women's issues and finally, on the outside, there was a person reporting directly to the Minister, a so-called special consultant who had been sort of tagged into the group on women's issues. In our review of what was happening out there, it was felt that there was no benefit to the department to have this extra individual in the department. I should say that individual was not fired. It was unlike the tactics of the previous government notwithstanding the fact that this particular employee was obviously of a particular political bent. We didn't fire her. We very specifically took her out of that position and she is now working in the New Careers Branch as an instructor. That position was clearly redundant. It has not been replaced by any other individual.

MR. MERCIER: What will the responsibilities of this executive director be?

MR. SCHROEDER: The responsibilities of the Executive Director, if we fill it, and I should say to the members that there's some question as to whether we should have an Executive Director. It's listed as Executive Director but we're thinking about having a full-time chairperson as the Chairperson of the Advisory Council rather than having a full-time Executive Director. The purpose of that function would be to provide assistance and direction to the Advisory Council which is basically a body of people from the outside who give advice to the Minister.

MR. MERCIER: Mr. Chairman, the member has referred to Ms Holtmann's position as redundant when part of her responsibilities were as an ex officio member of the Council, which office served as a

research and resource backup for the Council, and from Ms Holtmann's office all the clerical support was provided. The Minister, having moved Ms Holtmann, is now attempting to fill a position with the same responsibilities with a person of his choice.

MR. SCHROEDER: Well, this position is not in any way similar to the position of Ms Holtmann. Just for example, I was at a meeting of the Advisory Council some time ago and when they wanted to get into some serious discussions they asked her to leave. I would expect that they wouldn't do that if we had, for instance, a full-time chairperson that they wouldn't ask their full-time chairperson to leave.

MR. MERCIER: Mr. Chairman, has the Advisory Council on the Status of Women filed an annual report? My understanding is that part of the terms of reference were that an annual report would be filed by them.

MR. SCHROEDER: Yes there is an annual report; it's in the process. It hasn't been printed yet, but it has been submitted. I believe it was submitted several weeks ago to my office.

MR. MERCIER: Will that be tabled in the Legislature, Mr. Chairman?

MR. SCHROEDER: As I understand it, it's not necessary to table it but I see no reason why we shouldn't table it and I would hope to table it once it's printed.

MR. CHAIRMAN: The Member for Tuxedo.

MR. FILMON: Mr. Chairman, I wonder if I could just establish at this point in time with the Minister when I might ask certain questions; one, being about the Student Summer Employment Program and the second, being about legislation that has been talked about with respect to protection for people under the age of 16 who are employed late hours and are perhaps in some danger working in all-night gas bars or convenience stores and so on. Under which sections should I address those questions to the Minister?

MR. CHAIRMAN: Mr. Minister.

MR. SCHROEDER: The employment program would come under Employment and Youth Services; it's under Manpower. The question with respect to hours of work and that type of thing, protection of employees working on their own, would come under Employment Standards.

MR. FILMON: Number please — that's 2.(d)?

MR. SCHROEDER: (d) yes.

MR. FILMON: May I also ask for the question respecting minimum wage, where would that come? And a question respecting first contract legislation, where would that come?

MR. SCHROEDER: Minimum wage would come under Employment Standards and first contract would also

come, I would presume, under either that or Labour Board would probably be the preferable point, Mr. Chairman.

MR. CHAIRMAN: This is on 2.(e) on page 84. The Member for Tuxedo.

MR. FILMON: Fine, Mr. Chairman, I'll wait until we get to those points.

MR. CHAIRMAN: The Member for St. Norbert.

MR. MERCIER: Does the Minister then, Mr. Chairman, intend to continue with the Advisory Council on the Status of Women which was recreated in 1980?

MR. CHAIRMAN: Mr. Minister.

MR. SCHROEDER: Yes, it is my present intention to continue on with it and to strengthen it with the support services that we intend to provide to it.

MR. MERCIER: Mr. Chairman, are there any matters that the Minister has referred to the Advisory Council for consideration?

MR. SCHROEDER: Yes, there were several items that had been referred to them dealing with domestic workers. I can check back, and I have had some discussions with the Acting Chairperson about some items.

MR. MERCIER: Mr. Chairman, have there been any changes in membership of the Advisory Council?

MR. SCHROEDER: There have been some people who have resigned; there's one woman who left the country. There's another woman who is unable to act any longer because she is working full time. Yes, I have a list here, Muriel Arpin is the Chairperson; Stephanie Hodgins left Manitoba; Leona Penner resigned; Elizabeth Legge left Manitoba; leaving Susan Shineton, Patricia Graham, Kay Hamblin, Anne Moore, Beverley Goodwin and Josie Klymkiw on the committee.

MR. MERCIER: Mr. Chairman, has the Minister made any appointments or does he intend to make any appointments to fill those vacancies in the near future?

MR. SCHROEDER: Yes, I intend to fill those vacancies although I don't have any specific date on it.

MR. CHAIRMAN: The Member for Tuxedo.

MR. FILMON: Mr. Chairman, I wonder if this is the appropriate place to ask the Minister — I think it is — what he sees as his role with respect to the overall universe of labour, employment, management and society in Manitoba today?

MR. CHAIRMAN: Mr. Minister.

MR. SCHROEDER: Well, Mr. Chairman, I feel a bit small to be answering that huge question. I think that

in general . . .

MR. FILMON: I recognized that when I asked it.

MR. SCHROEDER: . . . with respect to the area of the Department of Labour, I suppose it depends on where I am in the department. If I'm in the Mechanical and Engineering Division, I think it's very important to keep the elevators running. If I'm in the department dealing with industrial relations, then certainly I think it is my function and the function of my department to ensure we do everything possible to develop a climate of trust and co-operation between labour and management in this province. I think we're working toward that. I think I've mentioned to members before that one of the first delegations I saw in my office was a delegation made up of members of the Manitoba Chamber of Commerce, Manitoba Federation of Labour and Winnipeg and District Labour Council with a united brief making suggestions for improvements in some of our labour legislation. That was very gratifying and we're certainly doing everything we can to encourage that.

I've also met with members of both management and labour of what is known as the MacLean Committee and certainly there's enthusiasm in that group in terms of what their role can be in preventing disputes that come about because of misunderstandings that can be solved ahead of time. That group has been effective in the past; we hope to make it more affective now. One of the few areas in the department where we're increasing staff is in the area of conciliation and we're hoping to get into some preventive conciliation to work with people before disputes occur and we believe that is an area that can be of benefit to all of us.

Of course, like members opposite, we're concerned about employment in the province. There are just a vast number of areas that I'm concerned with in this department. If you look at the department from the perspective of the Women's Bureau, then certainly my concern is that women be given the opportunity to partake fully in the workforce at wages that are similar to the wages that the men in the workforce get. I regret, at this point, that is not something that is a fact. We know that women in our workforce are receiving somewhere in the area of 60 percent or so of the wages that men are receiving and that's causing hardship for a great number of women and children in the province. That's something that we would like to improve on.

If you look at the immigration and settlement section of my department it is of great concern that we have people with good educational skills coming to Canada but being unable to come anywhere near working in the type of occupation that they are trained for because of language difficulties, especially language difficulties. I would like to see programs developed in the province that would ensure that those people can get the language training which would permit them to get into the kinds of occupations that they're trained for.

I could go on and on with respect to each of the areas in the department, to talk about New Careers, for instance, and the pleasure I am sure it gave the previous government, the government before that and this government, when we train people for, as the

heading of the department states, New Careers. People who were not able to obtain jobs because of lack of qualifications have come through that program, and are coming through that program and will come through that program, with new job skills that put them into the workforce. That's certainly only a small part of the department. As a former firefighter myself, I'm concerned about the role of the Fire Commissioner's Office in fire prevention in the province and that in itself could be a one-hour speech.

We're all concerned about pensions, general employment standards in the province and the area of training of people, as I indicated in my opening statement, I'm most concerned with how we are going to get along in terms of negotiating a new adult occupational training agreement with the Federal Government which will provide for as much training for Manitobans as we can possibly obtain. That's a start.

MR. CHAIRMAN: The Member for Tuxedo.

MR. FILMON: Then, if the Minister might relate some of these concerns and philosophies that he has with respect to his role into some initial objectives that he enters the Ministry with, what are some of his short-term and long-term objectives on behalf of the Department of Labour?

MR. SCHROEDER: Mr. Chairman, it would seem more appropriate to be doing this by department. I understand the member wasn't here when I made my opening statement, maybe he could read Hansard and try again at the end.

MR. CHAIRMAN: The Member for Tuxedo.

MR. FILMON: I'll certainly be happy to do that, but based on the experience we've had with this Minister's responses to questions, I'm not optimistic that Hansard will inform me as to the answers.

I wonder, then, if the Minister could indicate, as part of his objective towards creating a climate of trust and co-operation between business management and labour in the province, is there any formal mechanism by which members of the government caucus meet on a regular basis with business or management in the province, assuming that they would like to keep the lines of communication open with them as well as with labour in the province?

MR. CHAIRMAN: Mr. Minister.

MR. SCHROEDER: No, as far as I'm aware, there is no such mechanism and it might be a very good idea to put it into place. I should say that since I've taken office, I've met with the Winnipeg Chamber of Commerce on at least four occasions; I have met with various business organizations from the account executives to the Investment Dealers Association of Canada and tourism organizations, municipal officials, etc. and I am making it a point to get input from the different organizations; I've also met with the provincial Chamber of Commerce and specific members of the executive on a number of occasions. I would agree with the member that it would be a good idea to have our caucus, as well, possibly meeting on a regu-

lar basis with the business community. I don't see any reason why we shouldn't set something like that up.

MR. FILMON: Is the Minister a member of the committee of his caucus that is known as the MFL, MLA Liaison Committee?

MR. SCHROEDER: I'm sorry, could you repeat that question?

MR. FILMON: Is the Minister a member of his caucus committee which is the MFL, MLA Liaison Committee?

MR. SCHROEDER: Yes, I am.

MR. FILMON: Would the Minister think that might prejudice his position in trying to deal in a fair and impartial way with both sides of the matrix of labour and management in the province by, in effect, just being on one side of the relationship?

MR. SCHROEDER: Mr. Chairman, I think I've met with Jack Hignell as often as I've met with Dick Martin since I took office and maybe Dick might not be too happy about that. I just finished saying that I would have no objection to having a committee of MLAs from the NDP meeting on a regular basis, in fact, I think it would be a good idea if we met on a regular basis as a group in caucus with business and we could call that the NDP, MLAs Liaison Committee with the Manitoba and Winnipeg Chambers of Commerce or whichever other group we might wish to liaise with.

MR. FILMON: I have no further questions at the moment, Mr. Chairman.

MR. CHAIRMAN: I.(b)(1) Administration, Salaries—pass; 1.(b)(2) Other Expenditures—pass.
I.(c) Women's Bureau, (I) Salaries — the Member for St. Norbert.

MR. MERCIER: Mr. Chairman, can the Minister confirm, I think, as he indicated, the funding for Advisory Council is within the Women's Bureau or was it within the administration?

MR. SCHROEDER: It's in administration, but if you want to go back to that there's no problem.

MR. MERCIER: Is there any increase in staff man years for the Women's Bureau?

MR. SCHROEDER: Yes, there's 1.5 staff year increase.

MR. MERCIER: Can the Minister indicate the type of work that will be done?

MR. SCHROEDER: Yes, I should probably have started off this section with reading this. There are some introductory remarks prepared for me. The goal of the Women's Bureau is to provide a variety of services to and for working women or those wishing to enter or reenter the Provincial work force.

Specific objectives of the Bureau are:

(a) to provide career counselling to women individually and in groups:

(b) to create public awareness of women's contributions in the labour force as well as their concerns about conditions in the work place;

(c) to act as consultants and resource persons at seminars, workshops, conferences and orientation programs upon request;

(d) to provide a resource centre of current print and audio-visual materials for the use of the public at large;

(e) to participate in the planning, development and implementation of government programs such as Women in Apprenticeship Trades.

Among the program highlights of the '81-82 fiscal year have been public seminars entitled: Manager, Mother and Mentor, Budgeting Basics for Women and Career Choices for High School Girls. As well, a survey of women age 46-65 was initiated in 1980 with follow-up interviews by two students in '81. Questions on the survey related primarily to financial planning and the availability of training and employment services. Personal interviews also elicited information about health services and the use of community recreation facilities. A final report is expected this spring.

With respect to other publications during '81-82, the Bureau's brochure was revised and reprinted and the Bureau was involved in the preparation and publication of print materials on current issues in co-operation with other government agencies; for example, the Manitoba Pension Commission and its booklet, "Sister, Will You Have a Dime" and the Manitoba Human Rights Commission sexual harassment brochure for employees and employers.

With respect to staffing, last year there were 7 staff person years. We are requesting 8.5 staff person years for '82-83 and a .5 staff person year will be added to the Bureau to provide services for women in Northern Manitoba on a part-time basis and 1 staff year is required to function as secretary to the Director and to provide office receptionist services.

MR. MERCIER: Mr. Chairman, there doesn't appear to be any new activity in the coming year other than the additional 1.5 staff person year for the North. Unless the Minister can indicate there is some new activity, I believe the Women's Bureau during the past number of years had their staff increase and continue their activities in the fields that the Minister has referred to. I wonder if he could indicate whether or not there are any other new directions or new plans under consideration for this year.

MR. SCHROEDER: No, Mr. Chairman, we're just going along and we view the program as being a very good program and there are no present plans for change.

MR. MERCIER: I wonder, Mr. Chairman, whether the Director would continue me on the mailing list for her department in spite of the result on November 17th.

MR. SCHROEDER: I'm sure she will do that.

MR. CHAIRMAN: That's 1.(c)(1) Salaries—pass; 1.(c)(2) Other Expenditures—pass.

We go on to Labour Division. 2.(a) Pension Com-

mission, 2.(a)(1) Salaries — Mr. Minister.

MR. SCHROEDER: Yes, I just have a brief opening statement.

The Pension Commission is charged with the responsibility of administering and enforcing The Pension Benefits Act of Manitoba. The Act has three main objectives:

(1) to register new pension plans implemented in the province and to monitor existing plans by reviewing prescribed annual forms and any new amendments made to the plan since its initial registration;

(2) to promote pension plans and retirement planning in general by increasing public awareness of their importance;

(3) to respond to the queries of many concerned employees and plan members as to their rights and entitlements and, where necessary, to intercede so that any pension dispute is resolved in a satisfactory manner.

Staffing in 1981-82, the Pension Commission had a staff complement of seven staff person years and we are requesting seven staff years in '82-83; no change

MR. MERCIER: I wonder if here I just might ask the Minister, who has referred to major reforms in the area of pensions, could he give some indication of what is being looked at. Who was involved and the objectives?

MR. SCHROEDER: Yes, Mr. Chairman, as the member probably knows, there is the Voluntary Employee Pension Plan proposal which had been set up by the previous government. It hadn't taken effect and when we came into office, we decided that we wanted to take a complete new look at pension legislation and rather than going with that legislation at this time, we decided if we were going to take a new look, we would take the forum of having the public involved as well. We're planning on having some public hearings with respect to where to go on pension legislation. There won't be pension legislation at this Session.

MR. MERCIER: I take it then, Mr. Chairman, these public hearings will be held by the Pension Commission?

MR. SCHROEDER: Yes, that would be the intent.

MR. MERCIER: When does he anticipate, Mr. Chairman, these public hearings to take place? I assume there would be some form of notice in advance because of pensions like that, I believe, are a pretty complex subject.

MR. SCHROEDER: Yes, they're a very complex subject. That's why I didn't want to press ahead. Quite frankly, I didn't know enough about the program being proposed and we do intend to give plenty of public notice with respect to the hearings and make sure that people are able to present their views to that Commission.

MR. MERCIER: Have there been any changes in the membership of the Pension Commission, Mr. Chairman?

MR. SCHROEDER: Mr. Chairman, there were two resignations. I don't seem to have the names here. One of the individuals who resigned was Ken Gajdosik (phonetic) who left the province by the end of November or so, I believe, of 1981 and there was another resignation.

MR. MERCIER: Mr. Chairman, can the Minister indicate when — I take it a notice will go out with respect to these public hearings?

MR. SCHROEDER: Mr. Chairman, I don't expect that it would be before the fall of 1982.

MR. MERCIER: When the notice will go out, or the hearings?

MR. SCHROEDER: I was thinking and this is just tentative, that the hearings might be in September or October, if we can get things moving by then.

MR. CHAIRMAN: 2.(a)(1) Salaries —pass; 2.(a)(2) Other Expenditures—pass; 2.(b) Mechanical and Engineering, (1) Salaries.

The Member for Tuxedo.

MR. FILMON: Mr. Chairman, I wonder if the Minister . . .

MR. CHAIRMAN: Mechanical and Engineering, 2.(b)(1).

MR. FILMON: We're on Mechanical and Engineering. You go ahead.

MR. SCHROEDER: Thank you. The Mechanical and Engineering Branch is responsible for the administration of seven Acts and nine separate sets of regulations all pertaining to general public safety through inspection of equipment and licensing of tradespeople. The various Acts and regulations cover design, construction, installation and operation of certain mechanical, electrical and fuel-fired equipment and the examination and licensing or certification of electricians, gas fitters, oil burner installers, power engineers and projectionists.

In addition, the branch administers The Buildings and Mobile Homes Act and is instrumental under this Act for the publication of the Manitoba Building Code. The branch has prepared the first of four correspondence courses for municipal building inspectors; a second course is now under preparation and will be available in the fall of 1982. The branch has been active in the promotion of safe installation of solid fuel appliances through the preparation of brochures and conducting seminars at the request of the public in all parts of the province. The branch has worked actively with the Red River Community College to bring about additional courses for power engineers. Courses are now offered at the Red River Community College in second, third and fourth class power engineering and the first class course will commence in September of 1982.

Staffing — last year there were 55.32 staff person years allotted to the branch. We are requesting 56.32 staff years for 1982-83, an increase of 1. The purpose

of the additional staff year is to provide additional clerical staff to carry out the increasing administrative workload.

MR. CHAIRMAN: The Member for St. Norbert.

MR. MERCIER: I have a question with respect to the Flexible Gas Connector Program which took place as a result of an unfortunate death in 1979. It was estimated, I believe, that there were some 21,000 connectors in Winnipeg and surrounding areas that were damaged; 131 of them could have resulted in explosions. Has that program been completed now?

MR. SCHROEDER: Yes, Mr. Chairman, it's my understanding that it has been completed.

MR. MERCIER: Mr. Chairman, with respect to the Fairlane inquiry, can the Minister indicate what the status is on the upgrading of apartment blocks similar to that building that come under his jurisdiction? I appreciate some will come under the city's jurisdiction.

MR. SCHROEDER: I'm told that the orders with respect to the provincial upgrading will be issued tomorrow. The city has already issued its orders; the province will tomorrow.

MR. MERCIER: How much time will there be to comply with the orders? While the Minister is getting that information, Mr. Chairman, could he indicate how many premises will be affected by those orders?

MR. SCHROEDER: Mr. Chairman, we can go into it here or else we could have gone into it under the Fire Commissioner's . . .

MR. CHAIRMAN: Fire Prevention is (c).

MR. MERCIER: Fine, we can do that later then.

MR. CHAIRMAN: The Member for Tuxedo.

MR. FILMON: Mr. Chairman, recently there was a report of the findings of an inquiry into the gas explosion that occurred somewhere in the Elmwood area, on Sidney Avenue or something like that, where a house was blown up very shortly after the installation of a new gas furnace, I believe. I think as part of the findings there, if I recall correctly, it was found that a sleeve or a connector off a gas line fell off. Presumably, the installation had been inspected both by the Greater Winnipeg Gas Company as well as the installer's representative. I'm not sure just exactly what the role of the provincial Department of Labour would be in this, because nobody appeared to take responsibility for this unfortunate situation which resulted in a massive explosion. I can't recall if there was a death involved, but certainly it would be of great concern that such a situation would happen and the responsibility for ensuring that the installation had been properly done didn't seem to rest with anybody under the present circumstances. Has the Minister looked into the matter and is his department in a position to ensure in future that this won't happen?

MR. CHAIRMAN: Mr. Minister.

MR. SCHROEDER: Mr. Chairman, I understand that there was an inquest held. There was, in fact, unfortunately a death and the results of the inquest are not yet public.

MR. FILMON: Well, then is the Minister's department going to pursue the report of the inquest with respect to examining its role to ensure that in future there is some proper inspection and some authority for ensuring that the installations are properly done so that we can avoid this situation which, as I say, apparently results in nobody being responsible for the assurance that the gas furnace and connections were all done to some standard.

MR. SCHROEDER: Yes, Mr. Chairman, I can assure the member that we will check into it. My understanding is that the connection was made by a private installer and then, as is required, it was inspected by Greater Winnipeg Gas Company before they turned on the gas. It was an older home which had been with oil or some other form of heat and had been converted to gas; it as a new furnace and I'm sure the member has seen the statements in the paper. The person who connected it claims there was some screw that was very very tightly put in, and another individual claims that it was impossible that had in fact taken place. So it's something that we will be looking into.

MR. FILMON: I think obviously the key is that some authority ought to be responsible for improving the installation so that people may not argue that, yes, the screw was tightened or, no, it wasn't. If there is an inadequacy in the inspection procedure or the authority for such approvals, it obviously is incumbent upon the department to tighten up the process to ensure that such a thing can't happen in the future.

MR. SCHROEDER: Certainly that is an event that one hopes will never be repeated. The people who installed the furnace were licensed and apparently fully qualified, and the people who inspected that installation before they turned it on were licensed and fully qualified. Certainly we will again review the matter to see whether there is some way that we can tighten things up, tighten regulations up, we will do it.

MR. CHAIRMAN: The Member for Emerson.

MR. DRIEDGER: Thank you, Mr. Chairman. I want to refer to a specific case regarding licensing requirements. I'm referring to an individual who is moving into the province from West Germany; he's licensed as gas, oil and plumbing for gas, oil and plumbing installations in West Germany. What would be the requirements for him to be licensed in this province?

MR. SCHROEDER: Mr. Chairman, I understand that his qualifications would be reviewed and if they met standards then he would be asked to work in the field for some time and then write an examination in order to qualify for the license.

MR. DRIEDGER: That time requirement, how long

would he have to work? Would he have to go through the whole apprenticeship program or what time frame are we looking at?

MR. SCHROEDER: Depending on the qualifications and experience, there might be no time at all or it might be as long as two or three months.

MR. DRIEDGER: The reason I refer to the time frame is, when an individual of this nature moves into a small community where you maybe don't have these services it's hard for him to get a place to employ him and have that certain time. Do these regulations apply the same from out-of-province, from every country?

MR. SCHROEDER: Mr. Chairman, I'm told that if an individual moves in from another province of Canada then, in all likelihood, if he's licensed in that province he or she would get the license in Manitoba just automatically. If they come in from outside of the country then one of the requirements is that they learn our code which, from province to province is very similar, we have basically one code across the country but you do n't necessarily have that with people coming in from Europe.

MR. DRIEDGER: Where would the individual make the application for an examination.

MR. DRIEDGER: To the Mechanical and Engineering Branch of the Department of Labour.

MR. CHAIRMAN: 2.(b)(1) Salaries—pass; 2.(b)(2) Other Expenditures.
The Member for Emerson.

MR. DRIEDGER: In the case of an individual, an immigrant moving in and having some trouble with the language, could some provision be made to accommodate this to some degree? The language barrier, to some degree, would not necessarily hinder his ability, it's maybe a matter of communication during the examination that would be a problem.

MR. DRIEDGER: Mr. Chairman, the member raises a real problem that I had referred to earlier when I was answering sort of a general question. The difficulty is that the code is in English, it's not in German or any other language, and so immigrants are required to learn the code, and because it's in English they're basically required to learn English and as I have mentioned earlier, there are many people coming to our country in all walks of life who run into these language difficulties and this is another example. Our Immigration and Settlement Branch is looking at ways of assisting people to learn the language so that they can get back into the trade which they had in the country they left.

MR. DRIEDGER: Is there some provision that an individual of that nature could possibly have somebody do some interpretation for him?

MR. DRIEDGER: That is under examination and I think that unless there's any technical reason why it couldn't be done, then I would certainly encourage it.

On the other hand, we have to also be concerned about the safety of the people for whom the work is being done and I guess the language barrier is a bit of a problem.

MR. MERCIER: Mr. Chairman, just before we leave Other Expenditures, could the Minister explain the large increase in expenditures over last year?

MR. SCHROEDER: Yes, there are substantial increases, just for example, \$101,000 to \$124,000 in automobile costs. I understand that has to do with the additional costs of gasoline and oil.

Computer-related expenses have also gone up by about 50 percent and travel-related costs have gone up significantly. Those are the components that have really gone up. The printing and stationery, for instance, went up from \$35,000 to \$38,500, it was just inflation; postage and telegraph, postage of course is up, but the rest of that component is just up by inflation; automobiles, the computer-related expenses and travel costs are the major ticket items.

MR. CHAIRMAN: 2.(b)—pass; 2.(c) Fire Prevention. Mr. Minister.

MR. SCHROEDER: This branch, referred to as the Office of the Fire Commissioner, administers Part II of The Fires Prevention Act and related regulations. The office promotes fire prevention and protection practices to reduce loss of fire and property in the province. The office investigates fires to establish their cause and origin with the aim of identifying recurring causes of fires and working toward their elimination. The office is also vitally concerned with the suppression of arson.

Under the Act, the Office of the Fire Commissioner may establish a Central Fire College and deliver training programs for fire officers, firefighters and other persons in fire prevention and fire protection practices. It may assist municipalities by giving advice on the adequacy of water supplies, the enactment of fire bylaws, the establishment of mutual aid areas and the provision of suitable fire apparatus. The Office of the Fire Commissioner may also collect and disseminate information with regard to fires in the province.

During 1981-82 the office expanded its Fire Prevention and Protection Program in the north by opening a new training facility at Thompson. The branch provides courses on the control of dangerous goods to all the fire services in the north and will be initiating an industrial training program under Canada Manpower Industrial Training Program to provide training in fire prevention and fire protection to the mining industry. The office also provides regional training to emergency services such as fire, police and ambulance personnel throughout the province on the control of dangerous goods. The branch has negotiated with Canada Manpower and provides industrial fire training programs in areas other than the mining industry.

These training programs are in addition to the existing training programs now being offered to both paid and volunteer fire departments and to institutional personnel. The office has also been requested to provide advanced training to full-time department staff and to emergency response personnel.

On staffing, last year there were 35.05 staff years. We are requesting 37.05 for 1982-83, an increase of two staff years. One of the new positions will be a Technical Services Officer to be located in Winnipeg. The other is an administrative secretary which will assist the Fire College in Brandon.

MR. MERCIER: Mr. Chairman, I wonder if the Minister, in view of the fact that there are only two staff man year increases, can explain the increase over last year — almost \$200,000, \$180,000.00.

MR. SCHROEDER: First of all, there's a significant increase from \$1,000 to \$28,000 in professional fees and that increase reflects the delivery of a new emergency vehicle driver training course by trained individuals on a fee-for-service basis. Then there is the Other Fees increase which is from \$5,000 to \$17,000 reflects increased activity of the Fire Advisory Committee and its subcommittees. There's a substantial increase in automobiles from \$79,000 to \$109,000 which reflects increase in staff approved by Treasury Board during '81-82 to deliver new training programs; that is, part of it is because of changes in the middle of last year and we're simply now at the point where we were last year and continuing on. There were four staff persons added during the year and they were fire training personnel who were travelling from town to town doing the training programs, and there were additional operating expenses associated with those programs which are continuing.

MR. MERCIER: Mr. Chairman, I wonder if the Minister could respond to the questions about the Fairlane inquiry and the orders that are to be issued.

MR. SCHROEDER: Mr. Chairman, there are five complexes. One company has already completed the work in Brandon; there are complexes in Portage, Virden, Altona and Selkirk which have yet to comply. Oh, I'm sorry, Selkirk has also been completed. The others are being given a notice to complete the work within 12 months; that notice is, of course, appealable, but the requirement would be that they complete upgrading within 12 months.

MR. MERCIER: Mr. Chairman, the news article indicates that the city has given until October of this year to comply with orders in the city. I'm not suggesting the Minister's orders should be for October, but is there a reason why the time limits are different?

MR. SCHROEDER: Yes, that's because we hadn't adopted the new Building Code until fairly recently. The city was able to do that last October because their regulations were in place then; ours were put in place within the last month or two.

MR. MERCIER: I note from the Minister's press release, Mr. Chairman, that the amendments to Manitoba's Building Code become effective June 1st of this year or does that only relate to fire alarm systems and not . . .

MR. SCHROEDER: No, it relates to this, but there's an explanation that I'm just in the middle of getting.

I'm told that The Fire Prevention Act permits orders to be issued retroactively, but they must be compatible with the code. So by the time the order is complied with, it would be compatible with the code.

MR. MERCIER: I assume, Mr. Chairman, from the Minister's letter to the editor that he or his department are pursuing this at the national level.

MR. SCHROEDER: Yes, that has now been, in fact, completed. Yes, the information was passed to them as per that letter.

MR. CHAIRMAN: The Member for Emerson.

MR. DRIEDGER: Mr. Chairman, I assume the training of fire fighters, municipal paid and volunteer services, is an ongoing program or how often are these held? Do the municipalities that send their volunteer fire fighters for these courses, do they have to pay for them or are they . . .

MR. SCHROEDER: No, Mr. Chairman, they are ongoing all the time and, of course, in Southern Manitoba they go to Brandon. In Northern Manitoba, as I indicated, there's a fire college now in Thompson. There are, since the middle of last year, other people going from town to town to do some specific training, and there are classes in the City of Winnipeg with respect to fire training courses.

MR. CHAIRMAN: The Member for Emerson, I wonder if I could get you to sit a little closer to your mike so they can pick you up.

MR. DRIEDGER: Mr. Chairman, are there any costs related to these courses to the municipalities?

MR. SCHROEDER: No, there are not, other than the living costs of the fire fighters.

MR. DRIEDGER: I'd like to go into a little different field. There's been an ongoing inspection of fire inspections in the rural areas too, the halls, the public places, churches, etc., and in many cases changes have to take place. Until now, there has been a sort of a compromise situation very often allowing these, for example, halls to stagger their improvements over a period of years because of financial hardship. Would that still be the position of this Minister, or are they going to be coming down hard with the hammer on these people?

MR. SCHROEDER: We will try to be most reasonable. You know, on the one hand, we have to protect the safety of people; on the other hand, we recognize that sometimes there are huge costs involved for fairly technical requirements of the Act that may place a huge burden on a small community and that will certainly be taken into account.

MR. DRIEDGER: I'm just wondering, to the Minister, whether he's in the process of closing any more churches like the one that was closed in St. Pierre some time ago?

MR. SCHROEDER: I hope not. I don't believe that it was the Minister of Labour at that time; I don't recall Mr. MacMaster going down there. I think that was a fight, a local type of problem, that I was happy to be able to stay out of.

MR. DRIEDGER: I just want to make a correction. The Department of Labour did close the church, then it was a matter of either improving the church or having it destroyed.

MR. SCHROEDER: Well, Mr. Chairman, I'm told that I was wrong. The Department of Labour did, in fact, close it down because it was a structural hazard and they felt at the time that people attending at that church, unless it was repaired, were in physical danger and I suppose that's what you have this department for. It has to make some decisions sometimes that are possibly unpopular but you also have to look at the consequences of knowing that a building is unsafe and not doing anything. Certainly, if anything happened the public would then be on the back of the people who didn't enforce the building standards.

MR. CHAIRMAN: 2.(c)(1), Salaries—pass; 2.(c)(2), Other Expenditures—pass. Employment Standards. Mr. Minister.

MR. SCHROEDER: Yes, the Employment Standards Branch is responsible for the administration and enforcement of legislation concerning minimum standards relating to such matters as hours of work, vacations with pay, general holidays, wages and their payment, maternity leave, termination of employment and equal pay. In doing so this branch observes four principal objectives. They are: (1) To improve standards relating to the terms and conditions of employment in Manitoba through the operation of the Effective Labour Standards, Enforcement and Educational Programs.

2. To increase public awareness of the rights and obligations given employers and employees under law and the availability of sources to uphold those rights.

3. To establish and maintain a high degree of efficiency in collecting wages by effectively using available resources and manpower.

4. To establish and maintain effective investigative and enforcement techniques to ensure compliance with the existing standards.

A prime function of the branch is collecting wages found owing to employees, either through the findings of branch officers or by orders of the Manitoba Labour Board, which result from an adjudication hearing. In the reporting year ending October 31, 1981 the total number of complaints handled decreased by 3.8 percent over the preceding year. Total wages collected increased by 5.1 percent. The day-to-day inquiry section of the Winnipeg office handled 43,529 telephone calls and 6,850 in person queries which were complaints, information, etc. The staff is also called upon to speak to various groups and participate in seminars to explain the rights accorded to both employers and employees under the governing legislation.

Last year there were 30.36 staff person years in the branch; we are requesting 31.36 staff years for '82-83, an increase of one. The additional staff year is for an additional clerk typist position to assist in meeting the increasing volume of clerical workload. I just might note that the number of letters typed during the reporting year ending October 31, 1981 increased to 11,164 and that, together with the number of telephone calls, makes me wonder whether we have someone in the department counting phone numbers and pieces of paper. I don't know what we have that information for but there it is.

MR. MERCIER: Mr. Chairman, with the change in jurisdiction between Ministers and the Minister of Northern Affairs being the Minister responsible for the Workers Compensation Board and the Annual Report indicating that a great deal of the workload of the Worker's Advocate seems to be with respect to the Workers Compensation Board. Is the Worker's Advocate still located within this branch?

MR. SCHROEDER: Yes, Mr. Chairman, he is paid through this branch but he is working practically exclusively on Workers Compensation Cases.

MR. MERCIER: Mr. Chairman, dealing with this whole area of employment standards, I think we can deal with it that way. There is \$150,000 shown for the Payment of Wages Fund which was the amount we established last year when I think we became the first, as the Annual Report indicates, we became the first province to guarantee the wages of all employees under provincial jurisdiction up to a maximum of \$1,200 per year. The Annual Report indicates that between April 1 and October 31, 1981 a total of some \$49,700 was paid out to 98 employees from nine companies. Does the Minister have anymore up-to-date figures on the amount that is being paid out?

MR. SCHROEDER: Yes, Mr. Chairman, the member referred to the amount of \$49,720.36?

MR. MERCIER: Pardon me?

MR. SCHROEDER: You're referring to the 9 employers and 98 employees? Yes, since then a number of others have come on stream, unfortunately, between April 1, 1981 and March 31, 1982. We are now at 58 employers and 325 employees with a payout of \$157,458.78. There were 9 employers in receivership; six in bankruptcies; 31 closures and 12 businesses still operating under a receiver.

MR. MERCIER: That was up to March 31st?

MR. SCHROEDER: Yes, March 31, 1982. So, for the year, \$7,000 over, which isn't bad

MR. MERCIER: Well, Mr. Chairman, obviously the program is showing itself to be of some assistance to a fairly large number of employees who've been left in this predicament. I think it indicates that it was a very worthwhile program to initiate. Does the Minister intend to carry it out and with the, again, unfortunately increasing number of bankruptcies and those

people are simply closing up their businesses without formerly going into bankruptcy, is the Minister prepared to continue this program; is he prepared to seek supplementary funding if indeed that proves to be necessary because obviously from November 1 to March 31 over \$100,000 has been paid out and we've seen bankruptcies double in the first three months of this year compared to 1981? Is he prepared to seek additional funding to continue this program for all employees who find themselves in this position? I wonder if he might, so I can figure it out fairly quickly, I wonder what the average payment to employees was?

MR. SCHROEDER: Yes, I don't have the average. For now we have \$150,000 for the next year. As the member says, this program has assisted a large number of people who would have been in more financial difficulty without it and therefore, I couldn't see us disposing of the program. As well, on the bright side, we recovered about \$2,500 so far and, of course, these are payouts that are made quickly - not as quickly as we'd like - it takes about a month or two from the time of default to the time of payment, approximately. We are then entitled to recover against the employer so that if there is anything left over we've still got our hook in the pond, so to speak, and unfortunately most of the time the pond is dry.

MR. MERCIER: Mr. Chairman, I hope and trust the Minister and his department will take all the possible steps in order to collect or make any recoveries. Does the Minister contemplate making any changes in this program?

MR. SCHROEDER: I can't say that I have any present intention of making any changes with respect to the Payment of Wages fund; I think that it has to remain in operation. Whether there may be some technical changes for improvement as the program goes on or not, I don't know. I'm sure that if there were areas where we were having difficulty that we would want to review them — I'm just being handed something — there is no change in the fund contemplated at this time.

MR. MERCIER: Mr. Chairman, on another subject, as a result of the unfortunate slaying of Barbara Stoppel in St. Boniface, there was much public discussion of bringing in laws to protect young people working during evening hours in convenience stores. I believe the Minister and the Premier indicated that there should be changes in the laws at this Session of the Legislature. I wonder if the Minister has completed his review of other legislation. I understand Alberta has some legislation and the Manitoba Restaurant and Food Services Association, I think, perhaps for the only time has supported the Minister in this area and indicated they could support legislation. I wonder if he's completed his review and intends to bring in some changes in legislation in this Session?

MR. SCHROEDER: Unfortunately, I'm still not ready. My Deputy was at a meeting of Deputy Ministers just recently and the topic was discussed. All provinces are agreed that current legislation is unsatisfactory,

including Alberta. Certainly we're looking at Alberta's legislation; we're also looking at any other form of protection including the suggestion of the Restaurant Association that, I believe, their recommendation was that at least several people would be working at one place at night. I'm waiting for the recommendation from the department and I do hope, as I'm sure all members do, that we can come up with something before the end of this Session that is meaningful. If we can't come up with something that will solve the problem, then regrettably it may have to wait another year. I'm not saying that we will be waiting, I'm hoping that we can come up with something but I can't tell the member that I've got the solution at this point.

MR. MERCIER: Mr. Chairman, I wonder if the Minister could indicate whether the experience in Alberta has, under this legislation, what their experience is.

MR. SCHROEDER: Mr. Chairman, we understand from the Alberta officials that there is also crime being committed there and, of course, it's against the people who are more than 16 years of age. It seems to me that the answer is not just in saying that if you're under 16 then you have these restrictions, but if you're over 16 then you don't, if you're talking about safety, because you can have people over 16 years of age who are no larger physically or no more able physically to take care of themselves than people under that age. You might have a huge 15-year-old and a very small 23-year-old, and I think you have to address just generally the question of safety. I'm not saying that there's anything wrong with Alberta's law, at least, they've got something there for the people who are under that age. At least they are protected if they're not hired illegally as I understand also happens occasionally in Alberta, but we're hoping to find a more general solution, one that will address itself to the total problem rather than just with respect to the younger people.

MR. MERCIER: Mr. Chairman, does the member intend to bring in any legislation then at this Session of the Legislature with respect to this area of Employment Standards?

MR. SCHROEDER: I'm still hoping to, but I'm just not sure that I will be ready. As I say, the department is working on it and I'm expecting recommendations within the next little while for specific legislation. We will then have to see whether that in some way at least addresses part of the problem; if it addresses part of the problem, then we will present it.

MR. MERCIER: Mr. Chairman, is the Minister also then considering the election promises which were made by the First Minister that the Manitoba New Democrats would provide security from layoffs and up to 12 months' notice or compensation to employees would be required in the event of shutdowns or layoffs involving more than 50 people?

MR. SCHROEDER: Yes, I'm looking at that. I don't expect that there will be legislation with respect to that at this Session.

MR. MERCIER: Could the Minister indicate how practical that would be? How could he, however well intentioned it is, compel a business to provide 12 months' notice or compensation? Does it not seem somewhat impractical to him?

MR. SCHROEDER: As the Premier indicated in the House in making that statement, we had been looking at legislation in some European jurisdictions where it does appear to work. We have to recognize that we're in the North American context. That doesn't mean that we can't be in the forefront of good labour legislation. The Premier also mentioned that what he was talking about was more the area of closures where you have corporations consolidating or moving operations rather than the phenomenon that hadn't happened for many years of large corporations going bankrupt. I don't think that anyone can possibly come up with a solution when the company runs out of money, we can't tell them to keep operating for another 12 months or pay us the money. It would be foolish for us to pretend that we could do that. I think it would be foolish for us to pretend that we can solve those problems but where, for instance, you have a corporation deciding to pull out of Canada and move to some new exotic location with its nickel mining, say, or something like that with the money it earned here in Manitoba, then I'm not sure that it is totally impractical to say that the workforce and the city should have that kind of notice; that people commit themselves and their families to a town; Municipalities build schools and all the other facilities around the place. If a corporation then pulls up stakes to move elsewhere, not because it doesn't have money, then I think that some notion of a period of time should be considered. When you had The Tribune closing here in Winnipeg you had a different circumstance here for its employees than there was in terms of laws in Ontario for the employees of the newspaper that shut down there because here there was a minimum notice of 16 weeks. Down there, I don't believe that there was any extended period of time, certainly nowhere near the 16 weeks.

If that paper would have been required by law to give eight weeks or eight months' notice or six months' notice, I quite frankly don't think that it would have hurt, I think it would have helped the employees tremendously. It is a difficult thing to be laid off. Those people at least had the advantage of being in a big city where there are other activities, as opposed to what happens when we have layoffs in The Pas or smaller cities of the province, it's felt much more severely there. Employees are certainly an important part of a company and, as I indicated in my opening remarks, one wants to set up standards that will be as good as we can make them, recognizing that we live in North America and that we compete for capital with other areas of North America.

MR. MERCIER: I wonder if the Minister could indicate the process he is taking in looking at this legislation. Is it being done by his department or is he doing it in consultation with any outside group or organization?

MR. SCHROEDER: I should tell the member that

there is nothing in process right now on that question. As I have indicated to the member before, we do have four years to work on that. We intend to work at it at some time during those four years, but this is not one of those items that we decided was of an urgent nature that we wanted to bring in immediately; we had other items on our agenda that we wanted to get done now and we are proceeding with those.

MR. CHAIRMAN: The hour is 5:30. Committee rise.

SUPPLY - HEALTH

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. CHAIRMAN, Jerry T. Storie (Flin Flon): Item No. 6, The Manitoba Health Services Commission, particularly the Medical Program.

Order please. Those involved in the conversations at the back, if you care to continue your conversation in the hall we could proceed with the work of the Committee. Thank you.

The Honourable Minister of Health.

MR. DESJARDINS: Mr. Chairman, there was some unfinished business that I'd like to place on the records and further information on some of the questions, some of the debate that we had yesterday.

The Member for Flin Flon is not here. Oh, Mr. Chairman, you can stay very comfortably there and accept this answer that will be in Hansard for you. I would like to place it on the record. There is the question of the problems in the obstetrical services in Snow Lake. This was a reference. The question asked by the Member for Flin Flon last night regarding his discussion with Dr. Grymonpre of Snow Lake who suggested that regulations were preventing the two physicians in Snow Lake from providing an obstetrical service. From our investigation the regulations referred to the minimal standard requirements for obstetrical services of the College of Physicians and Surgeons of Manitoba.

Dr. Ken Brown, the Assistant Registrar, College of Physicians and Surgeons, advises us they are presently communicating with the Snow Lake Hospital Board and physicians offering their assistance to enable the hospital and medical staff to develop policies, etc., to enable them to provide an obstetrical service for low-risk pregnancies. The College identifies the need for a proper identification of backup resources necessary and contingency plans in place for dealing with emergent obstetrical situations that may arise when obstetrical services are provided.

I understand the Board medical staff are willing to work with the College in order to develop a service in an orderly manner. Community is pressuring the Board and physicians to provide an obstetrical service and assumes that with two doctors in town, all deliveries can take place in their new hospital. The reality of the situation is that the two physicians, and especially Dr. Neil MacLeod, do not wish to practise obstetrics.

I had a chance to review some of the things on the open heart surgery, the Cardiac Program, since speaking with the committee, particularly the Member

for Fort Garry, yesterday and I would like to give further information. Yes, Mr. Chairman, I want to give further information and refresh the memory of the Member for Fort Garry re the cardiac unit that we discussed so at length yesterday. I think that the former Minister had some inclination of what was coming. I know that he never gave any authority and I'm not discussing that at all. I would like to quote from a letter of June 17, 1981, from the then Minister of Health to Mr. Parrish, the Chairman of the Health Sciences Centre: "I indicated that I'm generally in agreement that when the Cardiovascular Thoracic Surgery Program for Manitoba is expanded, such expansion can and should involve the Health Sciences Centre. I confirm that inasmuch as this would present a newer expanded program, it will be necessary for my colleagues and me to review this program along with others during September to December of this year when we will be considering the 1982-83 Estimates for the Province of Manitoba" - this was one of the expanded programs that I talked about yesterday - "and therefore unable to approve any costs." There certainly wasn't any approval of the staff. This was a paragraph that I think explains exactly the situation that we found ourselves in and that we related exactly the same information, the same decision to the Health Sciences Centre, and again I am quoting from the former Minister of Health on the same date.

"There was discussion as to the possibility of the Health Sciences Centre underwriting the cost of the nine months ended March 31st, 1982 from saving realized in other areas of the Health Sciences Centre's global budget." My staff, however, pointed out that this did not appear to be a viable option in that the Health Sciences Centre has accrued a substantial deficit to March 31st, 1981, without assurance from the commission that it will be funded and, in fact the deficit continues to be projected to the 1981-82 fiscal period, again without the assurance that the Manitoba's Health Services Commission will be able to approve an increased budget to eliminate this deficit. That's exactly the same message that they were given later on. There's no change from that.

Now, there's another letter on August 26, 1981 and I think then that the former Minister, realized then that he was faced with somewhat the problem that I was faced with. I quote from that letter: "We recognize that Dr. Parrott is now on staff and can only suggest ongoing discussion with the St. Boniface Hospital to see if there is some possibility of running a more integrated program until such time as caseloads and available funding justifies the opening of a second adult unit at your hospital." Well, that's exactly what I did. I was surprised to see that letter from my honourable friend, this one was dated August 26, suggesting pretty well to remedy the situation with what they've got.

I also have a letter where I set up some of the conditions through Mr. Parrish and he signed a copy of it and sent it back to me so there's a clear understanding of what we wanted. Also I think that there's another letter that I think will give you an indication, I was saying that I relied a lot on what I thought was more of a neutral person, the President of the University of Manitoba and this letter was written January 5th, 1982. "Dear Minister: This will acknowledge with

thanks your letter dated December 27, 1981 concerning cardiac surgery and the enclosed copy of a letter of the same date to Mr. Parish.

"Enclosed for your information a letter to Dr. Doyle and an appended statement setting up the Faculty of Medicine's position with respect to its area of responsibility in relation to cardiac surgery. I take this opportunity to express my personal gratitude for the astute manner in which you handled a complex and difficult issue, to wish you a very Happy New Year and much success in your demanding portfolio. President Arnold Naimark."

From his copy of the letter, a copy of this letter to Dr. Fylef to Dr. Naimark in answering the position of St. Boniface Hospital, I think this will interest the committee and especially the Member for Fort Garry. This is where he was explaining about the head of the department. "The St. Boniface Hospital has been and, as far as it is possible to foretell, will continue to be the main base for the university's clinical program in adult cardiac surgery. Dr. Morley Cohen has been and is the department section head in cardiac surgery and will continue in that role until he leaves the position or until his appointment ends, pursuant to the outcome of a review of the section headship conducted by normal mechanism alluded to in paragraph 4 above." Paragraph 4 above is the heads of the university's department section are appointed on the recommendation of the department head with the advise of the selection committee. As is the case with the department heads, continuation of the appointment of section heads is subject to periodic review of their performance by a review committee established by the head of the department and made up of peers and representatives of a relevant institution."

I think what Dean Fowles (phonetic) and President Naimark were saying, in effect, we know Dr. Morley Cohen, we respect him. He's the head and he will stay the head as long as he's there, but we can't give you on paper to say that it will always be at St. Boniface because then we would be defeating the purpose. They could not see how that could change unless St. Boniface, after the departure of Cohen, were not successful in recruiting somebody of the same reputation of Dr. Morley Cohen. I say if there are a lot of ifs, ands or buts — there was a program at the Health Sciences Centre and they had recruited some fairly well known and famous person that they might want to select him. This is a possibility, but they couldn't visualize that.

So, Mr. Chairman, I don't know if this will bring an end to the discussion on that. I guess it won't until a final decision is made, until I have a recommendation from the Cunnings Report in that we come out and issue a statement or policy. I think the Member for Fort Garry served notice yesterday that he hasn't left this thing yet, but he is quite interested to see how it would end and I accept that.

MR. SHERMAN: Mr. Chairman, I would agree that I think we probably had a fairly thorough airing of this subject and this issue up to this point in time in this stage of development, but I feel that I have to respond to the Minister's remarks and to his references so that there is absolutely no misunderstanding or misinterpretation of the position taken by the previous government with respect to this subject. Certainly, any-

body in the position of Minister of Health in the Province of Manitoba is faced with considering the priority requirement and the priority ranking of increased cardiovascular surgical capability. Certainly, among issues and options brought forward to me by the Manitoba Health Services Commission, there have been a detailed outline of the situation with respect to that capability and a recommendation for expansion of our capacity. Certainly, there have been specific reference to the feelings of the Health Sciences Centre insofar, as they saw it, as a requirement to maintain their tertiary care status to the fullest possible degree to attract and retain, not only surgeons of high quality, but anaesthesiologists and others who are actively involved in and relevant to the whole field of cardiac surgery.

But, Mr. Chairman, there was never any equivocation on the part of the previous government with respect to the question of whether the Health Sciences Centre was being granted permission to establish such a unit and such a capability. The letters from which the Minister quotes are letters that were written by me in as courteous a manner as possible, knowing they would be on a permanent file with respect to this subject and knowing also, as any Minister of Health knows, that one has to and wishes to work as cooperatively with all components of the health system as possible. When one is dealing with the Health Sciences Centre and a facility of that magnitude with as many competing interest groups as are located there, one has to be necessarily as politic and as diplomatic in one's official dealings with them as possible. My letters were written in a courteous manner; they also left the door open for consideration of the Health Sciences Centre's ambitions because those ambitions are legitimate and do have to be recognized.

But, Sir, I can assure the Minister and he can check with officials in his department and he can check with Dr. George Johnson, if he wishes to, that there were meetings in my office involving Mr. Parrish, involving Mr. Swerhone, involving Mr. Harold Thompson, involving Mr. Bob Vandewater, involving Dr. John Wade, in essence, involving the hierarchy of the Health Sciences Centre, when it was made very clear to them that the answer was "no," that the subject had to go through Cabinet and it never went through Cabinet. It never went anywhere beyond the Minister's office because the issue had not come early enough in terms of the year, the fiscal year, to deserve consideration in the 1981-82 Budget and had not come up during the intense planning of the redevelopment program for the Health Sciences Centre in preceding years.

As a consequence, it was a subject that was going to have to be addressed by the government caucus of the day, the government Cabinet of the day and the government Treasury Board of the day. The Health Sciences Centre was assured that would be done, but it was not going to be done in such a way as to accommodate a request in the middle of a fiscal year for which the Budget had already been approved. It was certainly my intention to discuss it with my colleagues during the winter of 1981-82, the three or four month period just ended, with a view to their position and the consensus of my party with respect to any future decision, but we never got to that point and so

my answer, very clearly, to the Health Sciences Centre was "no."

In fact, they confronted me with the fact that they had hired Dr. Porritt, moved him in, obtained a home for him and had found themselves, if I may say so, backed into a corner and they came into my office and asked me, what are we going to do. I want to tell the Minister that I told them that it was their problem, that they I wouldn't expect would run their corporate affairs that way and that the Government of Manitoba didn't expect that the corporate affairs of its major health facility should be run that way; that they had no authorization to hire and install Dr. Porritt and that their basic challenge was to resolve that problem themselves, the problem that they had created without approval and, in fact, in direct opposition to a strong position that had been taken in my office throughout.

Now, recognizing that the cardiac surgeon was here and recognizing, as any Minister of Health does, that he or she has to live with the problems and the small "p" politics and the dynamics that work in the health system, one doesn't go out of his way to create greater difficulties for people. I didn't go out of my way to create any greater difficulties than were already confronting all of us and I'm sure the Minister today does not do that.

So, I said to them that perhaps there could be some way out for them by integration of the surgeon and the team at the Health Sciences Centre into the St. Boniface unit. I stressed that we had to have very close communication and consultation with St. Boniface; St. Boniface had to be consulted every step of the way. I wanted St. Boniface's approval before anything was undertaken either in the way of integration or even recognized establishment of another unit. I don't know that we've got that consultation, frankly. I was never satisfied that the Health Sciences Centre consulted with St. Boniface and explored St. Boniface's feelings to the extent that I think were required.

But it was necessary, Mr. Chairman, to face the reality of what we were confronted with, not waste too much time over something that had occurred and was there as a fait accompli, and so I made one or two suggests to them. But I made it very clear throughout that it was absolutely incredible that they should come to me, the Minister, and say this is what we've done, this is the problem we've got, what should we do? I said to them, get rid of it. But, of course, that's a rather declamatory position to take, so I made one or two other suggestions, one of which was to get together with St. Boniface on it.

So, I want that very clear, whether it's in the written correspondence or not, I would be prepared, Mr. Chairman - well, I was going to say I'd be prepared to swear to that sequence of events, but I feel I'm already doing so in offering this testimony to this committee and this House on the record. That was the record of what happened.

Now, the Minister has done things that I think he had no alternative but to do. I'm not criticizing this Minister up to this point in any way, shape or form, I simply wished to warn him, as I did last night, that I think a difficult sanction may be developing here which will cause problems downstream for the government and for the revenue resources of the prov-

ince in health care and for relations with other hospitals, if it is not addressed and faced realistically by all concerned. The principle personnel who should address it and face it realistically are those who made the decision at the Health Sciences Centre because they created it and they have got to recognize that is not acceptable. I just suggest to the Minister that he not get himself into a position where they are operating at such a level that any change that he may want to make will cause him difficulty in terms of public perception. In other words, let us not prejudice the work of that committee. He's got a committee investigating this question, and the work at the Health Sciences Centre should be held to an absolute minimum until that committee reports, otherwise the committee becomes a charade.

If there's a highly active capability already functioning at the Health Sciences Centre it won't matter what that committee says the Minister won't be able to get rid of it. In terms of public acceptability and public perception he will not be able to make a change. He's been in the health field long enough, and I've been in the health field long enough, to know that you don't get rid of services once they're in place, entrenched vested interest develop around them, small "p" politics develop around them, professional politics develop around them, and his problem and my problem and the problem of every other health legislator in Canada, today, is to try to bring some order and some rationalization to a system that is moving along on a track from which it has never deviated for the last 30 years and which just goes on, apparently under the impression that it's demands and requirements are unavoidable, they're laws of nature, they can't be resisted. Well, somebody has to stand up to them and say they've got to be resisted and they've got to be brought under control or there's not going to be a rational quality health care system in this country.

Mr. Chairman, I repeat what I said last night, that I really have no further questions on this subject for the time being because I know the Minister is awaiting some reports, but I do feel it's important that there be no misinterpretation among members of this committee as to where the previous government stood on this matter and where I stood on this matter. It was as I have just recounted to you, Sir.

Mr. Chairman, I wanted to ask the Minister some other questions relative to medical services, unless he wants to deal further with the subject of the cardiovascular unit with my last remarks, and certainly, he has every prerogative to do so. But beyond that, I wanted to ask him about the situation with respect to medical practitioners in Manitoba generally. He has provided us with the figures, the total number of physicians registered with the Manitoba Health Services Commission at the present time. I wonder if he, or his officials, could report to the committee on the mathematics of migration of medical practitioners, both into and out of Manitoba, and especially out of Manitoba.

We had heard in recent years considerable declamation of the fact, or considerable claim from some sources, that Manitoba was losing doctors at an unacceptable rate. In fact, the figures never bore out that charge and the figures available from the College of Physicians and Surgeons of Canada and from our

sister jurisdictions across the country indicated, in the main to me, at the time that I was Minister, Mr. Chairman, that Manitoba's exodus rate of medical practitioners was entirely consistent with our ranking in population as one of ten provinces. In other words, entirely consistent with our comparative size in population terms that of the total numbers of medical practitioners who were leaving Canada in a given year, for the United States or wherever, that approximately 5 percent of them were coming out of Manitoba, which is consistent with our ranking in the overall population picture of the country, so that I never accepted the charge that we were losing doctors as some serious critical rate. Further to that, the total number registered with the Commission, as I indicated the other day and has been borne out by the figures provided by the Minister, has been increasing each year in recent years. We now have more doctors practicing in Manitoba, I believe, than at any time in our history as of March 31, 1982 or January 1, 1982, and more practicing in rural Manitoba than at any time in the past, I think, 20 years. But I would ask the Minister if he does have figures for Manitoba on the exodus rate in 1981 and in preceding years by comparison, if he has that information, and just what the Manitoba picture looks like compared to the overall Canadian picture in terms of retention of and loss of our native-born Canadian medical practitioners.

MR. DESJARDINS: I don't seem to have any figures as to how many doctors left Manitoba or how many came to Manitoba, but I think that the important thing is to find out if we're losing doctors. My honourable friend is right; this is not the case. For instance, in 1979, there were 1,269 doctors in the City of Winnipeg; in 1980, it went up to 1,276; in 1981, 1,323. So, we are not in danger; there is no shortage of doctors really - in certain specialties, yes, especially in Winnipeg. Outside of Winnipeg, in 1979, there were 417; 1980 - 419; 1981 - 416; so that is pretty well the same. The total was: 1979 - 1,686; 1980 - 1,695; 1981 - 1,739, for a total for 1980 over 1979 plus 9 and then 1981 over 1980 plus another 44. The total is increasing, the same problem, again, is location. That we know; that's something else.

Also, I think another important factor is the estimated population per physician - in other words, 1 doctor for how many people? Well, we are not doing that badly. In P.E.I., there is 1 doctor for 816 people; New Brunswick, 1 doctor for 902; Newfoundland, 1 for 674; Alberta, 1 for 627; Saskatchewan, 1 for 677; then Manitoba, 547. Those that have more doctors, they would be Nova Scotia; we are just a little behind; we're 547 and they are 539; then Ontario, 516 and British Columbia, 510 and they are crying because they have too many doctors and people aren't going there, so we are not suffering from that at all. That's not a factor at all.

As far as the cardiac unit, I am satisfied. I don't think there would be any purpose in keeping that up. Later on, I reserve the right of course to make other statements, but we are looking forward on that. I think the Committee and the public knows that our interests have the real picture with the discussions that went on.

MR. SHERMAN: Does the Minister have any information, Mr. Chairman, as to the specialties that are hardest hit by whatever emigration of Manitoba doctors there is? I know that there are specialty shortages and I am coming to those in anaesthesiology and ophthalmology and some other areas, but are those specialties or any others suffering from diminished numbers as a result of emigration? Are there indications that emigration is a factor with respect to the shortages in some specialties, or is it simply that many specialties are more attractive to medical students for a number of reasons than others?

MR. DESJARDINS: Before I try to answer the last question, I think there is another very important point that I should share with this Committee at this time. There is an increase in Canada - I'm talking about all of Canada - of doctors of 12.4 percent over five years whereas the population increase is only 4.9 and that could become a problem. We'll have too many doctors. So I think there could be an oversupply of doctors and I think, when we are talking about fees and talking about these things, we will have to start thinking about that.

You know, when you talk about a free enterprise system, free enterprise system even for those that maybe would not favour it so much. They must admit that it certainly has a lot of advantages. One of the things is that the cream comes to the top, if anything, and you get rid of certain people. That exists in all professions. Now, in a situation where we have a universal program where the people themselves generate their own revenue, that doesn't exist; you don't have that anymore. So, this is something that might not be a very big problem at this time, but it is something we will have to start thinking about and that's one of the things we want to talk about before we decide on important things such as binding arbitration or anything like that.

Now, especially for the problem areas, I might say that, well, the Standing Committee on Medical Manpower has been actively engaged in studying and making recommendations in the areas of great needs, that is rural practice, psychiatry, community medicine. The committee is aware that other potential problems in medical manpower exist, that is in gerontology, radiotherapy and laboratory medicine. As the situation improves and more urgent areas of need and the recommended incentive programs are well in place, those potential problems should be evaluated. This activity should have some priority in this coming year of 1982.

For instance, geriatrics; there are 10 geriatricians in Manitoba, 1 in Brandon. In Manitoba, our family physician, general practitioner, internist, all practice geriatrics to a varying degree. The medical profession have encouraged a geriatric input into all assessment panels and encouraged the need for the expertise of the trained geriatrician in minimizing developments in the care of the elderly. I think that we're going in that direction; I think that both the former Minister and myself agree that is one of our priorities; we've identified that in a number of occasions. As I mentioned before, we would like to have somebody like that, some kind of a gerontologist for the province to help us with this and also in the planning.

Now, ophthalmology, there are 29 ophthalmologists in Winnipeg. The National Committee and Physician Manpower, in 1975, suggest a ratio of 1 to 25,000; we believe the proper ratio is 1 to 28,000. On this ratio, Manitoba, Alberta, Saskatchewan experienced shortages in this basis. In 1979 B.C. had 132; Manitoba 27; Saskatchewan 21; and Alberta 54; Western Canada 234. Now, in 1980, there were 136 in B.C.; 26 in Manitoba, we lost 1; 22 in Saskatchewan, they gained 1; and Alberta remain the same at 54. So, in 1979, there were 234 and now there are 237.

Here are the facts: Manitoba ophthalmologists age 25-29 there's a percentage of 3.8; age 30-34, 3.8 percent; age 34-35, 13.5 percent; age 35-39, 7.7 percent; age 40-44, 11.5 percent; age 45-49, 11.5 percent; age 50-54, 11.5 percent; age 60-64, 15.5 percent; age 65 and over, 19.2 percent. Well, we can suggest from these figures that Manitoba should have 6 more ophthalmologists. There are other features we have to explore. How many of the 29 are involved in primary eye care only? How many are practising as surgeons? I'm told that of all 44 beds in the province, that a waiting list of 300 patients, and probably the Health Sciences Centre facilities should be enhanced and facilities at other hospitals made available. The ophthalmologists say they need more beds and equipment. Now, those are the things, I think, that the committee identified besides those that we've known for a long time that they're looking at, such as psychiatrists and others that were mentioned.

I'm told here that emigration is not our problem. Our problem is how to attract medical students to some of the specialties and sub-specialties such as lab medicine and those that I mentioned already. I think I've already made that point.

MR. SHERMAN: Mr. Chairman, I agree completely with the Minister that the expanding population of medical practitioners, medical graduates, in Canada does represent an incipient problem. It does pose a major challenge for the future and that's something I wanted to explore with him for a moment.

But just before coming to that, I wanted to ask him about the field of anaesthesiology in particular. There really has been a serious climate of pressure on the government, on the province and on the health system in the province where the specialty of anaesthesiology is concerned. Certainly in my experience, there has been an acknowledged shortage of specialists in anaesthesia. I don't think the numbers of anaesthesiologists in Manitoba have changed significantly in the past four or five years, but there is no question that with today's more sophisticated and exotic techniques and requirements in surgery that the demands on the anaesthesiologists are far greater than they were 10 and 15 years ago.

There have been discussions between the Minister's office and the section of anaesthesiology with respect to the problem and possible solutions. Certainly, during the term of the previous government, it was indicated by the anaesthesiologists in some of those discussions that in their view the problem rested entirely in the medical fee schedule in the level of fees paid to anaesthesiologists. We were advised, at one time, that the fee schedule for anaesthesiology in Manitoba was the second worst in Canada. The

only one worse was in Prince Edward Island and that in that situation and those circumstances there was no hope of rectifying the chronic shortage of anaesthesiologists in this province. As a consequence of some of those discussions and some of those positions, there were suggestions and recommendations developed by the Commission and developed by the Minister's office that were presented to the section on anaesthesiology, to the MMA, to the university and to the College of Physicians and Surgeons for some initiatives that would hopefully improve and correct the situation.

In the first place, I might say that it was perhaps never fully acknowledged by the section of anaesthesiology, that simply examining the financial and compensatory position of anaesthesiologists in Manitoba on the basis of the fee schedule was an inadequate and unfair way to look at it, because over and above the fee schedule, there is another category of remuneration for anaesthetists in four hospitals in Winnipeg. There is a block-fund payment that's available, I think, in 1981-82. It amounted to something in excess of \$1.5 million that was straight remuneration to anaesthesiologists working in those hospitals and that was available to them over and above the fees prescribed in the schedule. If you'd touched those two components together, the average gross income for this specialty in Manitoba ranked second highest in Canada. So, that argument was rather complicated and it certainly was not accurate to predicate any positions with respect to anaesthesiology precisely on what was in the fee schedule. Nonetheless, there is no question that anaesthesiologists work very hard for every dollar that they make, and in order to maintain a high level in terms of comparative income with their counterparts across the country, they put in long hours, long days, long nights and long weeks of work that are perhaps excessive and they are not satisfactorily recognized.

But there were recommendations that went forward at that time to correct whatever anomalies might exist and to remove the perceived grievances of the anaesthesiologist. One of them was to terminate that system of block funding at the four hospitals in question, the Health Sciences Centre, St. Boniface, Grace and Seven Oaks and to apply all of that money directly to shoring up and expanding the section of the fee schedule that compensates anaesthetists. In other words that \$1.5 million would be taken out of that block funding arrangement, it would go directly on the fee schedule and it would go directly on to the line that said anaesthesiology.

Where does the government and where does the section of anaesthesiology stand on that recommendation at the present time? Has anything been resolved with respect to that proposal?

MR. CHAIRMAN: The Honourable Minister.

MR. DESJARDINS: Mr. Chairman, I think the member in some way answered his own question. I think he wants me to give my views on that to see if there is any change.

The situation is much better; it's much improved than it was a year ago. The main reason probably would be because of the fee, the adjustment in fees,

that seems to be the main thing. There's no complaints, there's more information that we get from the people in the field and I think that other reasons also besides that, is that there are 10 young G.P. doctors now on a six-month program; who then when they finish this program will go to rural Manitoba. Some are coming in already and that's helping. Then also, it seems that we are garaging more anaesthetists this last year than any other province in Canada, so things are improving.

As far as the sessional fees — I'm not too sure about that — I think that some of that probably would be discussed during the fee negotiation with the MMA for one thing then also when we discuss with the hospitals. I don't know as yet if the commission has reached a final decision on that; it hasn't been brought to my attention lately.

MR. SHERMAN: Mr. Chairman, do I understand the Minister to be saying that there is no longer any problem, any crisis, any serious situation with respect to the supply of anaesthetists in Manitoba?

MR. DESJARDINS: The member knows better than that, that I would never make a statement like that. I will suffice to say that things are greatly improved and we are quite encouraged and it's not a major problem at this time.

MR. SHERMAN: Presumably, there's been no change in that funding arrangement whereby the commission funds those four hospitals and that's money available for compensating anaesthetists over and above the fee schedule.

I am pleased to hear the Minister's report on the six-month specialty training program in anaesthesiology for G.P.'s, Mr. Chairman. The Minister has said that there are 10 G.P.'s, I think in that course at the present time. Is it the intention of the government to establish that course on a permanent and ongoing basis with a fixed quota, a fixed intake for each year? Will the government be aiming at 6, 8, 10 participants for that course each year?

MR. DESJARDINS: I think this is something we're looking at in different areas. Also, I think there is a program training some people as psychiatrists in Selkirk and areas like this. It is pretty well a regularly established program with the university, but with the understanding that this will be reviewed from year to year.

MR. SHERMAN: Well, Mr. Chairman, we also had in place an Incentive Grant Program for student anaesthetists under which the costs of their training were given. They earned remission of any obligations they may have incurred under their training program. Is that incentive program still in place?

MR. DESJARDINS: Yes, Mr. Chairman, this is the one that I quoted. I think the Member for Dauphin asked me about these programs, but I should point out that this is not just for this specialty. It is the same incentive program that we had.

MR. SHERMAN: Mr. Chairman, are there other pro-

grams or projects of this kind contemplated in the specialties, for example, of ophthalmology to name one. The Minister has referred to psychiatry. There is a program in place at the Selkirk Mental Health Centre of which I'm aware. But a serious strain and pressure exists on ophthalmological services at the present time and looking into the future in Manitoba and other Canadian provinces as the Minister has described, are there programs of this kind that have been recommended by the Standing Committee on Medical Manpower to address the problem in that specialty?

MR. DESJARDINS: No doubt this will come, but the Committee focused mostly on the rural problem and it's just about now to look at the specialty and certainly I will discuss it with them and they will make recommendation, but there's nothing at this time.

MR. SHERMAN: The Minister in responding to the Member for Dauphin last night made reference in some detail to the Physician Incentive Program that was introduced by the previous government — it was a four-part program or a program that had four categories to it that dealt with specific categories of practitioners or students — how many participants does that program accommodate on a manual year-to-year basis?

MR. DESJARDINS: Mr. Chairman, I'm sorry to delay the Committee and I don't want to delay any further. I will try and get this information later on. It would be just a guess at this time. We will try to have the exact number.

MR. SHERMAN: My main reason for asking, Mr. Chairman, is to establish whether or not there was a response to the program. Is there a continuing enthusiasm for the program and a continuing response to it? Are medical students and graduates taking up the opportunities that are offered under that program?

Can the Minister report, Mr. Chairman, on the Native medical student program which is designed to enable Native Manitobans to be qualified to enter medical schools? I believe the inception of the program under the previous government aimed at accommodating 10 such students in the pre-med course that was to provide them with sufficient training and academic standing to qualify for entry to medical school. Where is the program in terms of its status at the present time, Mr. Chairman?

MR. DESJARDINS: Mr. Chairman, I will try and answer the first thing about the incentive program and I think that will provide the answer in different ways to see if we are progressing. As the Member for Fort Garry knows very well, this is a program that was just getting off the ground and last year, there was \$75,000 spent and we are asking for \$230,000 this year, so it must be progressing. I still haven't got the numbers, but I am sure that would give us the answer for the Native. The University is co-operating very much. I think that they are giving people, starting with the mature students, special instruction and then try to get them to enrol, but it's not going to be easy and it's going to be a long-term thing. I am told that so far our staff are satisfied. The University is satisfied with

the progress made so far, not necessarily with the results, but with the progress made.

MR. SHERMAN: How many Native students would there be in that stream at the present time, 10, or less than 10?

MR. DESJARDINS: I know we're not satisfied if the member says, 10. No, it would be closer to two or three.

MR. SHERMAN: Mr. Chairman, there are 300-plus intern positions and residencies available in Manitoba to graduates of the Manitoba Medical School. I am not sure of the exact figure; it may be 328. I'm sure the Minister —(Interjection)— 336. In addressing this whole problem of specialty shortages and uneven equations in terms of medical manpower supply - manpower obviously implying womanpower as well, Mr. Chairman - has any thought been given to a system of designated internships and residencies? I believe the concept has been applied at least in part, in Nova Scotia.

MR. DESJARDINS: Mr. Chairman, I think the situation now is that there are discussions and we meet with the University, but the University have guarded that very jealously, that is, directing the interns in certain specialties, but there is a good rapport and we are just discussing the problem with them.

MR. SHERMAN: Has the Minister discussed with his counterparts across Canada or is he intending to discuss with them at this next inter-provincial meeting of Ministers of Health, problems and concepts of this kind in terms of the whole supply of medical manpower in Canada?

MR. DESJARDINS: Most definitely, Mr. Chairman, it is on the proposed agenda for the meeting at the end of May.

MR. SHERMAN: Does he intend to initiate or does he expect that there will be some consideration at that meeting or at a subsequent meeting, to the subject of medical school enrolments and the numbers of graduates who are coming out of medical schools?

I think our medical school still provides spaces for 94 students. I believe that's correct. If one looks at the nation as a whole, Mr. Chairman, we have to recognize the fact that the total number of medical graduates per year in Canada is 1,800 every year coming into the field, and we have to recognize the fact that the total number of residency positions in Canada approximate 2,300. These are positions into which residents are hired, both for service and for training, and we have to look at the area to which the Minister referred a few minutes ago and which I had indicated at that time I wanted to explore with him for a few moments, namely the area of the expanding medical population and its percentage increases in comparison to the lower percentage increase of the population in general. Does the Minister anticipate study of the question of medical school enrolments when he meets with his counterparts?

MR. DESJARDINS: Mr. Chairman, I don't know if we are going to initiate it or not; I doubt that. I think it will be awaiting a report. There's a sub-committee of staff at the ADM level that are looking exactly at that and if they don't report to our meeting at the end of next month, I am told that they certainly will report to the Deputy Minister some time a few months later.

I know that this was a concern a few years ago. There were two concerns then. There was the enrolment in the different faculties across the land, but there was also the question of emigration. That problem was pretty well resolved and now I think it is only at the request of a province that you can go ahead and get extra points to recruit a doctor, but the other problem certainly exists. I know that especially B.C. and Ontario feel it more than anybody else; they are very concerned. They might initiate it if we don't, but it is something that, if it's not discussed now, the only reason will be that they are waiting a report from a special committee made up just to look into this recommendation.

MR. SHERMAN: I believe the accepted norm or rule of thumb in industrialized and developed nations has been, at least until very recently, the yardstick, Sir, that adequate quality and desirable medical care for a society can be provided on the basis of one medical practitioner to every 650 persons in the population. That figure may be 660 or 665, but it's approximately 650. That has always sort of been the acceptable target at which developed countries have aimed and which most of them, I think, have probably been reasonably successful in meeting.

I have had very clear indications recently, as I'm sure the Minister and his staff have, that at the present rate of enrollment and graduation from our medical schools in Canada, there are jurisdictions — and I believe British Columbia is one of them and Ontario is another — that are headed for a ratio of 1 - 350 within the foreseeable future.

By the 1990's on the present basis, some jurisdictions in Canada and here, it may even have been the entire country that was referred to — it may even have been the national picture — but certainly some jurisdictions face the imminent prospect of a doctor population ratio of 1 - 350, which is very close to just one-half of what that accepted ratio has always been. This is a challenge, at any rate, that is central to the main challenge of maintaining the health system in such a way as to ensure that the necessary resources are available to keep quality care and evenly distributed care in place.

I would hope that all the Health Ministers at their forthcoming meetings are intending to explore this question and this issue and I would suggest to the Minister that he would be performing a not inconsiderable service to Manitobans and to all Canadians with respect to their health system if he takes steps to ensure that this subject is discussed and explored very closely. I think that it's totally unrealistic for any of us to ignore it.

One doesn't want to move in any draconian way in terms of determining future career choices and career paths for Canadians, but I am sure we are all agreed that the excellent universally ensured health care system that we have in place in Canada is worth preserv-

ing and it's threatened by the sheer weight of numbers and it is threatened by the sheer pressures of fiscal mathematics.

I think we have to be very alert to the tendency to overload the system on any one particular side or in any one particular area because the result will only be a short-changing of other components and other areas of the system, so I would be most appreciative of an assurance from the Minister that it is his intention, while Minister, to explore this question very thoroughly and determine whether indeed we can afford, and our system can afford, and whether it's even logical, rational and compassionate to find ourselves in a situation where we are oversupplied by doctors with the resulting expense that that will impose on various other parts of the system.

MR. DESJARDINS: Mr. Chairman, I couldn't agree more with the member that this is very important and I am also very pleased that he did mention it because this will, I would hope, make my position a little easier. It is something, I guess, that has been demonstrated this year that in some areas the opposition and the government can work together for the best interests of Manitoba, not necessarily for partisan political reasons and I think that this is very important.

We can't just automatically keep on with the old methods and say, well, this is the way it is and don't you dare touch it. I remember a few years ago this was brought to our attention and the University at the time resisted it and they were in an uproar with Dr. Clarkson popularized exactly that, that this was going to happen and we see it a little more now. Now, even these people are starting to look at it and realize this is the case.

This will be far-reaching. I think that we can't exclude then when we talk about the future relationship between the different bodies such as the MMA and these groups. It's all right for people to say, well, we can't get anywhere with the government, we want to do this, we want to do that. I think that soon it is time that the politicians throw challenges at these people and say all right, this is a problem that you have to try to solve. Now the problem is not just the oversupply. It will be a problem until other problems are solved.

First of all, let's say there has been a big change in the makeup of the people that are attending the faculty now. I think approximately 40 percent of them are female and then there are doubts at times to see how long they would stay in the work force, that's a problem. It's not the largest problem, but that is something that has to be considered and it is a little more difficult.

Now the other one, you will never resolve this thing. You will keep on enlarging the thing until you solve the problem, or try to solve, or at least improve the situation in the rural areas. I know that a few years ago — that sounds like, oh, you're doing away with, I think it was tried, I don't know if it was the dentists in B.C. and the dentists had suggested it to me four years ago — they said, all right, we'll have something, regulations sometimes that a newly graduated doctor will have to go and spend a few years in a certain area. Of course, the Human Rights Commission I think, ruled against that, that you couldn't dictate to the people, but we will have to find a way. It's all right to say the

freedom of the individual, but there is also the freedom of the people of Manitoba to say, here, we want to spend that money but we want to be free to spend it for somebody that will bring some returns here, that's not going to graduate and go away. I think this is certainly a concern. If it can't be solved by the university and by the medical profession, the government cannot debate, cannot say that it will go away, it will be swept under the rug, I think we have to look at it and unfortunately, we might have to deal with it. I don't know, it might be that we might have to hire the people while they're students; pay for their education; give them something to live on, and then they're hired at that time with an understanding and with a contract something like we did with the dental nurses.

It might be that; it might be that you change the whole system especially when you need a profession or a certain group that you might say to the university, we'll pay so much because the public is paying a large share of educating every single doctor and I think that there should be a responsibility. I think when the situation the economic situation is such as it is in our country and our province these years that we owe it to ourselves in all fairness that we can't just go be holier than thou and leave people free. We must be free to start paying first of all, for people that deliver a certain service that is required for this society for Manitobans. I think this is what might be the case.

It might be that we'll have to be more selective in saying there's going to be 95 places but there is going to be 10 from rural Manitoba, or 10 that go ahead and make a commitment, and maybe 5 natives. I want to make it quite clear, Mr. Chairman, that I'm not announcing any policy at this time; I'm not announcing any program; but I'll go along that I'm challenging the universities and the faculties to do something about it. I am serving notice that if they don't, we will have to. I agree with the member that the politicians will have to get their heads together and say, here, we've got to do something.

I think we've got to keep this in the back of our mind also when we're looking at standards, because I think if there's too many of them, I think the standards will suffer and I think the danger of human people, I think the danger will be there that you're going to have to be careful, because some of these people are then going to start generating the revenue. You know, if they're not busy, they're not busy and they can't afford to sit back. It's happened to other professions before in the old days, they used to say come back when you had to pay from your pockets.

You know there's good things on every universal program and there's bad things also. There's no doubt that and on the universal programs there's going to be some abuse and the doctors used to say before, come back and see me in six months. Now he can say, come back and see me in a month; or he could even say, if he feels he has a cancellation tomorrow, he can tell his secretary, phone so-and-so and tell him to come tomorrow. I'm not making any blanket accusation; I'm not even making any accusations; I'm saying that this is a possibility and I think that I agree with the member that this is a problem.

Another problem - you know, people are talking about equity, it brings a problem in negotiation also; talking about equity with B.C. Well B.C., because

there are so many doctors, to make the staff the same take-home pay that our people in Manitoba have, they would have to have much higher fees. This is another thing. I think we have to look at the take-home pay and there are so many of them and it is a real problem; they cause a problem to us because they don't know what to do because they have the battle and they become stronger and they increase the fees. How in the hell can we compete with B.C. and Alberta - and apparently Saskatchewan with their promises of throwing away money that we heard during the last little while? So, this is a problem that we will have to fix.

This is one of the reasons why I'm suggesting that we have to look. I don't think the Federal Government can dictate to us in this field. You know, the Federal Minister at times talked about no opting out; no this or that. Let him re-establish the contribution to the program, then they might have reason to hold back. But right now, I can't see how they can when they said there is block funding and it's up to us, and so on. Besides that, it is a responsibility of the Provincial Government but I would think, and I would hope that in the good offices of the Federal Minister that we get together and discuss certain things, that we can agree to work together. I would like to see - maybe it's no good, maybe nothing will happen to that - but I certainly intend to bring in the possibility of guidelines for fees. I say guidelines, because the final decision will rest with every single Provincial Government and they don't all agree the same. But if we can agree to have guidelines, but not guidelines that should be so much - period. In Canada, I think you have to look at the regional disparity.

It might be we end up saying it's compulsory binding arbitration, but under certain terms maybe, under some kind of a formula. Now, one of the reasons why, one of the things I'm afraid and I want to find out, what will the arbitrator say? Will they say there has to be parity? I think there has to be certain directives at least if that's going to happen, or certain guidelines, or even a certain kind of formula. You know, we're accused of, it's easy, you don't want to give the doctor anything, and you people just raise your salary. Well, we have the formula here that's not that generous, that I think that we could live with. We're talking about the cost-of-living index, but it's not a question of just the rich get richer; the poor the poorer, that you're talking about 15 percent or 30 percent of \$100,000 or \$75,000 and the same percentage of \$10,000; I think that if I understand our formula is the certain percentage, the inflation rate, but of an average salary, if I understand it right. So, in other words, we are getting 8 percent. Of course, I think with last year the increase was about 8 percent. If they can say that's exorbitant, I would love to go with the minimum that everybody is offering the medical profession in these days.

So, I think that all these things are a factor, maybe I'm stretching things a bit but I hope the Cabinet understands, as well as the former Minister; I think that this is probably one of the most important things when we are dealing with the future of Medicare. We're worried about Medicare, we feel that we won't be able to afford Medicare. I think that we have to have something like this to quit fighting - we want to quit fighting too. It's not just the medical profession that want to quit fighting.

You know, we want to establish a fair worth, but not if that means that we have to abdicate our responsibility. To just say, here, get any kind of people that you want without any condition. You decide and compulsory binding arbitration and if it's good for them, it's probably good for the nurses, and good for the physiotherapists, the chiropractors and everybody. I'm speaking for myself now; this might well be that our group will say go ahead, you'll have compulsory binding arbitration and as I said before, I'm not necessarily against that, but I've got a lot of questions to ask.

You know, just what the payroll in our department right now would be; what - half-a-billion dollars or so in the Health field? If one person from outside who has no mandate or doesn't have to face the public and say, this is what you're going to do - that's going to add a heck of a lot to the people around here will not be able to decide on the Budget and so on. They'll be given, they'll be forced to do it, so is that what we want? I don't know, I think there has to be understanding and I don't think it's fair to say, well you know already, you can give us a yes or a no. I'm talking about something else as you may not understand, but I think that these are some that give me an occasion to talk about the reason why we're saying, well, this is far-reaching; we've got to talk with other provinces; we got to talk to other people, and they feel that you're just stalling and it's not the case. So I thank the member for what he stated and for what I take as support - not necessarily support for any blank cheque or blanket coverage - but at least support in a challenge to us to go and find a way to address these important problems and to try to solve them. So I accept that.

MR. SHERMAN: Mr. Chairman, binding arbitration is not in the best interests of the public in my view and more importantly, or equally importantly, it is not in the best interests of the medical profession. I don't intend to prejudge the work of the Cabinet subcommittee on this subject, but I certainly have attempted to make my views known and I'm going to continue to make them known, both to government and to the public and to the medical profession.

I've stated that I think that binding arbitration, particularly in the public sector - although it exists in the public sector, I recognize that - I don't see that as any justification for extending it necessarily. I think that binding arbitration in the public sector actually flies in the face of the principle of responsible government because it does take that decision out of the hands of the people who were elected to be the trustees of the public's money. Over and above that, Sir, I don't think it serves the interests of the medical profession.

I think that doctors will be just as unhappy five years from now under binding arbitration, more unhappy five years from now under binding arbitration, than they are right now, because nobody is going to accept unconditional binding arbitration. There are going to be some conditions laid on it and those conditions may very well be, and might have been under our government and might be under the present government, regulations controls on the number of the procedures that can be performed by a practitioner in a given year.

No elected representative with responsibility to the

public for its money and the equitable distribution of that money is going to be able to accept unconditional binding arbitration in my view. Now there are different forms of conditions, but I see, as a very minimum condition, the very strong possibility, particularly in the Canada of the 1980s and the 1990s — and it's today's economics we're dealing with, we're not living in the 1960s any longer as we all know — particularly in that context, I see at least as a minimum condition, a very strong stand taken by government, whether it's a New Democratic Government or a Progressive Conservative Government that says, fine, if that's what you want, binding arbitration, then you'll be able to perform 250 procedures a year, or 220 procedures a year, or 300 procedures and that's it. I just cite that as a warning to the medical profession.

There is no —(Interjection)— that's right, not 40 house calls a day, but two house calls a week; three general physical examinations a week; for surgeons, five procedures a week or 10 procedures a month or something, I can see that occurring and I don't see that as New Democratic Party philosophy, I see that occurring under a Progressive Conservative Government, under any government. That's the point that I've been trying to make to the medical profession, it is not in their best interest. They may get a one-year windfall.

Sure, everything may be fine for two years, but what I'm saying to them is that five years down the road they'll be unhappier under binding arbitration than they are right now. So I don't think anybody's the winner under that principle, but I was prepared to sit down and look at it with them. I told them I would look at it, explore it in 1982 with them. The current Minister is doing that; that's all you can do. But I think it's an illusion, I think they see it as a panacea and it ain't no panacea. It's got built-in problems for them and for everybody with it.

But beyond that, Mr. Chairman, I want to say that I am very pleased to hear the Minister say that he intends to address this general challenge that we're talking about here, because I think it is a critical challenge for Medicare, for universal hospitalization and for the Canadian health care system and he won't get any argument from me. He's going to have two big problems and any Minister is going to have two big problems in this area.

One, no provincial Minister can do it alone. There will have to be other provinces co-operating with him, otherwise you create an isolated island in your own province and you discourage professional activity in your own province. So he has to have other provincial Ministers working with him.

Further to that, I don't think a provincial Minister can do it without the help of the opposition, because it becomes too easily a political issue. Anybody can play politics with it and I think it's important to the survival of the Canadian health care system that a few of us address the thing together.

So I, at this juncture, can assure the Minister that the only criticism he's likely to incur from me is if he goes up to his office and gets buried under the enormous amount of work that descends upon a Minister of Health and forgets all about it and doesn't do anything about it. I'm going to keep goading him to do something about it.

In my opinion, Sir, and I might not have said this as Minister but I certainly am prepared to say it as opposition critic, we don't need one doctor for every 350 people in Canada. We do not need that. One doctor for every 650 people is adequate. We don't have any shortage of doctors. Certainly, there are problems and certainly people have to wait and certainly there are delays but it's not because we haven't got enough doctors. It's because the whole system has got to be modernized and rationalized. It's a major challenge facing this Health Minister and his counterparts across this country and I suggest to you, Sir, the health critics across the country too. One for every 650 is fine and if we wind up with one for every 350 we'll go broke. So I would hope that the Minister urges his respective relevant provincial counterparts to address that.

I would agree with him that the Minister of National Health and Welfare, the Federal Minister, can't do a great deal about it because after all, health is a provincial responsibility and we all intend that it remain that way. But the Minister of Health and Welfare can be encouraged to take some leadership, to offer some suggestions and to propose some initiatives. I haven't seen any forthcoming from the present Minister of National Health and Welfare. I have seen very little leadership, very little suggestion of any positive initiative in this area in the last four years.

We've had simplistic so-called solutions offered ranging from banning extra billing to banning opting out to other forms of draconian legislation, all of which would only make the situation worse, none of which really attacked the problem and I therefore say, that it is incumbent upon this Minister and his provincial colleagues — it lays very heavily upon their shoulders to take the lead because they're not going to get the lead out of the present occupant of the Ministry of National Health and Welfare, in my view. I think that this Minister and his provincial colleagues are going to have to take the lead and encourage the Federal Minister to get onside and get onboard and work with them.

Mr. Chairman, there is one other area which I want to touch on with respect to this whole question of medical funding and medical costs, and that has to do with the geographic full-time positions, the so-called G.F.T.'s at our main teaching hospitals. The previous government, under guidance and excellent advice from our advisers including Dr. Johnson and Mr. Edwards, was working on a proposal to establish an Advisory Committee on Medical Service Funding and Related Affairs in Teaching Hospitals which was specifically designed to address this problem of the G.F.T. I have to admit, Sir, that we didn't get it off the ground because we were hard at work on it in 1981 and hoping to do something about it in 1982 and unfortunately the tides of political fortune intervened and we didn't have the opportunity to act on it. Hopefully, those tides may flow the other way and four years from now I will have an opportunity to act on it, but more hopefully, it will already be in place and all I will have to do is pick up the initiative of the present Minister.

Mr. Chairman, in 1972, there were approximately 67 G.F.T.'s in the teaching hospitals in Manitoba, the Health Sciences Centre and St. Boniface. Those are

practitioners who are on staff through University appointments and who also are permitted to conduct fee-for-service practices alongside their University teaching duties in the teaching hospitals. They received salaries of varying amounts from the University. They all billed fees for their clinical work. The majority of them received some payment from the teaching hospitals. Mr. Chairman, in 1972, there were 67. By 1980, that figure had increased to 200 G.F.T.'s and at the present time, I believe that the figure is over 300. I stand to be corrected on that, but I think at the present time there are more than 300 doctors at the teaching hospitals in this category of G.F.T. That is in addition to the interns and residents - I am not talking about the 336 interns and residents - I'm talking about the 300 G.F.T.'s.

Mr. Chairman, these are appointments that are made by the University. They are not made by the Ministry of Health or the Department of Health and the only way that situation can be addressed and evaluated and brought into orderly control is through tripartite negotiation and tripartite agreement involving the University and the teaching hospitals and the Ministry of Health.

The Provincial Auditor, within the past two years, has raised questions about the funding procedures and the costing techniques with respect to these kinds of appointments. In fact, as a result of a report from the Provincial Auditor and recommendations from the Provincial Auditor, the teaching hospitals were asked to take certain steps, undertake certain initiatives that would specify and spell out much more clearly what this whole subject of medical remuneration in the teaching hospitals entailed and how it was structured and what the needs were and what the rational and reasonable limits of it were.

As I say, we didn't get off the ground with it beyond establishing the structure under which an advisory committee could be put in place and beyond investigation of comparable situations in other provinces. I would ask the Minister what advice he has received since assuming office on this subject, whether he has had time to look at it and if so, what his intentions are?

We wanted to have a basis of comparison with other provinces and we sent two experienced and acknowledged experts in the field, including Dr. Jack Cummings and Dr. Bob Cook, to visit Ontario and British Columbia and to review documents from other provinces to describe the methods that those jurisdictions used in dealing with this whole question. Those two experts reported to the Commission board and the subject, as I say, was on the desks and on the table of the previous government at the time of the last election. Has the Minister had a chance, since assuming office, to familiarize himself with this question at all? The basic question being, is the expansion of the G.F.T. complement in teaching hospitals in Manitoba just an open-ended infinite thing? Is it something over which there should be control and over which there is no control? Is there some rationale or some order that should be there and isn't there - because the numbers just seem to keep on expanding?

MR. DESJARDINS: Mr. Chairman, certainly I am aware of the problem. I have been aware for a while. I am also aware that, I think, the Provincial Auditor

pointed that out that there could be a problem. I am aware also and I have seen the recommendation that was placed on the desk of the former Minister, but I can't say that we have a solution at this time. I think the members of the Committee and the Member for Fort Garry would certainly understand that with the short time we've had in trying to set first the Estimates, then Budget and the Estimate of our department in Session, that we couldn't do it all. This is something that we are fully aware that we have to look at and I intend to discuss the recommendation from the Commission to see if there is any other advice that we might have and try to come to a solution. There has been some talk with our medical consultant, Dr. Johnson, and I think by now that he switched his responsibility. This is an area where he could liaise with the different hospitals and the medical profession, the College and so on and give us very valuable advice before we come in with our final program or decision.

MR. SHERMAN: Mr. Chairman, I would like to finish consideration of Medical Services at 5:30. I think the Minister would be hopeful of moving on to Personal Care Homes and Hospitals tomorrow, so could I just conclude our discussions with a couple of quick questions?

Mr. Chairman, what is the Minister's position on the establishment of a Chair of Geriatric Medicine at the Manitoba Medical College?

MR. DESJARDINS: On this one I certainly have no hesitation - you see the smile on my face. In fact, when the member made the statement before, I thought he was reading from one of my speeches because when I was Minister before I talked about that and we are certainly very much together about that and this is something that I intend to discuss. I must confess that I don't know the way to go about it. I think it is certainly a decision of the University, but it is something I intend to speak with Dr. Naimark - I don't know if the new dean has been named yet, but I suspect I know who it is - but anyway, the dean and Dr. Naimark also because of his past experience. I certainly would feel very happy and very proud if this was done during my term.

MR. SHERMAN: Mr. Chairman, I hope we can achieve that. The Minister wouldn't have to look very far for a suitable candidate. There is a gentleman sitting in a blue blazer by the name of Dr. Johnson who could fill that role very adequately, except I know the Minister prefers to have him where he is right now. There certainly is a need for establishment of that Chair because of the importance of elevating the whole specialty of geriatrics and reinforcing its recognition and perception in the medical profession and in the community generally.

One final question, Mr. Chairman: is there an intention to continue or expand initiatives in the area of training of geriatricians through such programs as the fellowship program that has been in place out of Deer Lodge Hospital? There have been some fellowships available in Britain to young geriatricians, I believe, under the auspices of programming conducted at Deer Lodge, which I know is a federal facil-

ity. It seemed to me a very valuable program because it held the promise of providing us with two or three bright young specialists in geriatrics who would do their fellowships overseas and then return to serve in this field in Manitoba. Is there an intention to continue with or expand that concept?

MR. DESJARDINS: There was a gerontologist from the U.K. that came in. I think it was Powell. I think he was invited by the St. Boniface Hospital and I think that the then Minister had a discussion with him; I would be surprised if he hadn't talked to him. He left some documents, I know, that I was on the Board of the St. Boniface Hospital then. I was quite interested and this is something that certainly we are progressing on. I think that, although we have so much to do, I think probably Manitoba might be one of the provinces that is most advanced in Canada on this.

At the present, there are 10 geriatricians in Manitoba; 1 in Brandon. That is well known. In Manitoba, our family physicians and general practitioners, internists, all practice geriatrics to various degrees. The medical profession have encouraged geriatric input on all assessment panels and encouraged the need for the expertise of the trained geriatrician in minimizing developments in the care of the elderly. In Manitoba, there is a geriatric residency program. For years, Dr. MacDonnell - I think that's the program you were talking about at Deer Lodge - I know there's a pioneer new initiative in Geriatric Chair, especially if this transfer of Deer Lodge goes through, that will be another opportunity because we intend to use that mostly for the care of the elderly. We certainly will keep on exploring that.

MR. SHERMAN: Thank you, Mr. Chairman. That is all the question I have.

MR. DESJARDINS: Just to make sure we have it on the record, if that passes then the line, Medicare, and what remains is the Personal Care Homes, Hospitals and Minister's Salary. So, we will start on Personal Care Homes. Could I attract the attention of the chief critic for the Conservative Party? We will start with the Personal Care Homes, then Hospitals, then go to the Salary or would you sooner start with Hospitals? No? Personal Care Homes, then.

I mentioned that. I think it's important because some people might want to discuss the Capital Program and I think we should serve notice that we will start with the Personal Care Homes and then Hospitals.

MR. CHAIRMAN: With that understanding, we'll say Medical Program—pass.

The hour being 5:30, Committee rise. Call in the Speaker.

Mr. Speaker, the Committee of Supply has considered certain resolutions, directed me to report progress and asks leave to sit again.

IN SESSION

MR. SPEAKER, James D. Walding (St. Vital): The Honourable Member for Flin Flon.

MR. CHAIRMAN, Jerry T. Storie: Mr. Speaker, I

move, seconded by the Honourable Member for St. Johns that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The time being 5:30, adjournment hour, the House is accordingly adjourned and will stand adjourned until 2:00 p.m. tomorrow afternoon (Thursday)