

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, 26 May, 1982

Time — 2:00 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. J. STORIE: Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report same and asks leave to sit again.

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

MOTION presented and carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Member for Niakwa.

MR. A. KOVNATS: Thank you, Mr. Speaker, I would ask leave to make a non-political statement.

MR. SPEAKER: Does the honourable member have leave? (Agreed)

The Honourable Member for Niakwa.

NON-POLITICAL STATEMENT

MR. A. KOVNATS: Thank you, Mr. Speaker, to the Honourable Members of the Legislature, I am responsible for the tomato plants on your desk. I just wanted all of the members who represent all of the people of the Province of Manitoba to know that these tomato plants were grown in the Province of Manitoba and they are what they refer to as Fantastic. They're not blueberry bushes, they are tomato plants and they are Fantastic. They will mature in 65 days and for those that have any American background, on July 4 you'll be able to eat tomatoes. These are Manitoba-grown tomatoes. Thank you very much.

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 members to the gallery where we have 24 students of Grades 11 and 12 standing of the Fogo Island High School from Newfoundland, guests of Springfield Collegiate under the direction of Mr. Zuk.

There are also 30 students of Grade 5 standing of the Heritage Elementary School under the direction of Mr. Walter Shurrow. The school is in the constituency

of the Honourable Minister of Natural Resources.

There are 30 students of the R.J. Waugh School under the direction of Mr. Grant. The school is in the constituency of the Honourable Member for Gladstone.

There are 35 students of Grade 7 and 8 standing from the Gretna Elementary School under the direction of Mr. John Brown and Mr. D. Reimer. These students are in the school from the constituency of the Honourable Member for Rhineland.

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

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, a question to the First Minister. I wonder if the First Minister could bring the House up-to-date with respect to any progress report on negotiations with IMC for the mooted potash mine in western Manitoba which was well under way, the negotiations were well under way when he came into office on the 30th of November?

MR. SPEAKER: The Honourable First Minister.

HON. H. PAWLEY: Mr. Speaker, I sense that the Leader of the Opposition is asking for updating from the previous report that was given by the Minister responsible for Mines and Energy and so that report can be fuller, I would prefer to take the question as notice on behalf of the Minister for him to give the Leader of the Opposition a report upon his return.

HON. S. LYON: Mr. Speaker, could the First Minister advise in a general sense — and I appreciate what he's saying about the detail — could he advise in a general sense as to whether or not there has been any measurable progress in the achievement of a potash mine for Manitoba, given the fact that apparently IMC's Letters of Intent were allowed to expire on the 15th of December, 1981? Is there any hope that the First Minister or his colleagues can offer that this matter is now back on track?

HON. H. PAWLEY: Mr. Speaker, it's my information the Acting Minister does have some information.

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker. Yes indeed, negotiations are still ongoing and just one bit of information that I don't believe has been made public to date is that the results of the testing which had been done over the past year or so are in and there's an indication that the quality of the ore is much better than had originally been expected; that it's in the neighbourhood of 22 percent K20 and, of course, we're quite happy with that. That would indicate, of course, in terms of the decision to proceed or not to proceed, that it would weigh more on the side of pro-

ceeding than not proceeding.

As the Leader of the Opposition has indicated, the Letter of Intent did indeed expire on December 15, 1981 but at that same time, I believe on the 15th or 16th, a letter went out from our negotiators to IMC indicating that although we knew the Letter of Intent had expired, that we were still quite interested in negotiating and, in fact, talks were going on as late as about a week ago, which is the last information I have as a member of the Mega Projects Committee.

HON. S. LYON: Mr. Speaker, the report that the Minister gives with respect to the grade of the ore material on the IMC lease site is encouraging, indeed. It's a continuation of the information that we had been receiving for the past year-and-a-half or so through the company. Can the Minister advise the status of the exploration and/or other activities that are going on on the North portion of that field, the rights to which were sold to AMAX Corporation in order that they might explore the possibility of a second potash mine in Manitoba?

HON. V. SCHROEDER: I would have to take that question as notice, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Community Services and I would ask him, in view of the Minister's removal of a highly qualified civil servant from the post of Manager of the Westbran Work Activity Project, and his replacement by a non-qualified friend of the Minister, and the obvious patronage involved, what are the Minister's intentions with respect to the other Work Activity Projects and Employment Services co-ordinator positions in the other regions of Manitoba?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. L. EVANS: Mr. Speaker, obviously the member didn't hear my remarks yesterday and that is that we intend to try to make the Work Activity Projects more meaningful than they have been in the last few years. In other words, we want to put more welfare recipients who are employable into a work training program and we want to do that at a reasonable cost, not 12,000 a year, which incidentally is double what it costs to put an engineering undergraduate through the University of Manitoba in the year 1981. Our intention is to do what we can to make them more meaningful, and part of that process is to make the managers separate from the function of Regional Employment Co-ordinator. This is a process that's under way and, hopefully, it will result in greater productivity. As I said yesterday, Mr. Speaker, if it doesn't result in more productivity, and I think that's something that the taxpayers and the representatives of the taxpayers should be interested in, then we'll have to look at ways and means of changing these projects to make them far more meaningful than they are at the present time, such as, a subsidy program to industry whereby these trainees could work directly for small enterprises, for example, rather

than in landscaping projects or whatever.

MR. L. SHERMAN: Mr. Speaker, given the Minister's professed concern for, and anxiety about productivity and cost effectiveness and low client volumes, etc., in the Work Activity Project spectrum, is the Minister suggesting to the House that these problems are to be remedied by expanding the administrative bureaucracy? Is that his answer to low client volume in the Work Activity Projects rather than working at building up that volume if, indeed, it's a justifiable project to begin with; that he believes it should be remedied and approached by expanding the administrative bureaucracy in creating five new administrative jobs, all of which are contrived jobs?

HON. L. EVANS: Mr. Speaker, that is not the case. The function of the employment coordinators is to refer welfare recipients to various kinds of job opportunities, including those that are presented by Work Activity Projects and those presented by private enterprise. That is their main function and that is what, essentially, they are paid for. That is what they will do perhaps and, hopefully, on a more broad scale in order to try to put welfare recipients on the payroll both of private enterprise and, in some cases, on the payroll of the Work Activity Projects.

I want to emphasize it just in case the member is not aware of it, but Mr. Wark, whom the individual member seems to be concerned with, is not being demoted. He remains in the department and as the member indicated yesterday his classification is under review; that classification has nothing to do directly necessarily with the Work Activity Project effort.

MR. L. SHERMAN: Mr. Speaker, on the contrary, that is not the main function of the Employment Services Co-ordinator as outlined by the Minister and he knows full well that the functions are dual, they're 50-50 functions; the kinds of referrals and employment services co-ordination he's talking about and the management of the Work Activity Project, reconfirmed by his own department and his own audit carried out by his own personnel branch.

Mr. Speaker, my question then to the Minister is whether his professed concern for the taxpayer is countered and addressed through dividing those positions in all five regions outside of Winnipeg region in Manitoba and seeking to fill those positions with political friends?

HON. L. EVANS: I reject the observations of the honourable member, obviously. I want to say this, Mr. Speaker, that if we are going to get more effective action on the part of Work Activity Projects, it's my view and it's the view of senior people in my department, that it would be advantageous to split these responsibilities in order to get more throughput at lower cost per participant.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I direct my question to the Minister of Natural Resources and would ask the Minister whether the report which was

commissioned by the government on the wild rice industry, the contract which was given to the former Member for Rupertsland, Mr. Bostrum, I wonder if the Minister could inform the House whether or not he has received that report as yet.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Yes, Mr. Speaker, I'm delighted to indicate that that report was received. It has been perused. It's still a subject of examination by officials in the department. I have had extensive meetings with interest groups; people interested in the industry and those discussions and reviews are ongoing.

MR. R. BANMAN: Thank you, Mr. Speaker, a supplementary question to the Minister. I wonder if he could inform the House whether or not he will be making that report public.

HON. A. MACKLING: Yes, Mr. Speaker, I'm sure that all reports received will be made public. I don't think that it is vital at this time. Certainly it will be available to any interested MLA. I haven't considered tabling that documentation, but it is a matter of public record and if the honourable member wants a copy or anyone else interested wants a copy, they'll be furnished.

MR. SPEAKER: The Honourable Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Speaker, to the same Minister then. First of all, I'd like to indicate the desire to have a copy if possible. A question to the Minister, can the Minister indicate whether he's processing any new applications for leases on lakes for the production of wild rice?

HON. A. MACKLING: No, Mr. Speaker, it is not our intention to process new leases for new lakes. The policy in connection with existing leases is one that there'll be a meeting with public interest groups shortly and there'll be a policy position, or policy statement given in due course.

MR. A. DRIEDGER: Mr. Speaker, to the same Minister then. Is the Minister indicating that there is a possibility of renewing renewal of leases for people who presently have leases on certain lakes for the production of wild rice?

HON. A. MACKLING: Mr. Speaker, the question of the renewal of existing leases is one that I will be making a public statement on in due course.

MR. A. DRIEDGER: A supplementary to the same Minister, could the Minister then indicate to the House whether the people who have leases at the present time will be given consideration in view of the fact that they have invested in seeding lakes and drainage projects that they've undertaken, that their interests will be kept in mind when the Minister makes his announcement?

HON. A. MACKLING: Mr. Speaker, the honourable member I'm certain would appreciate that those

observations have been made to me and to my colleagues and, of course, those arguments and those suggestions will be borne in mind in any policy decision we make.

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

MR. W. MCKENZIE: Thank you, Mr. Speaker, I have a question for the Honourable Minister of Natural Resources.

Mr. Speaker, I wonder if the Minister can advise the House if he's been able to arrest the indiscriminate hunting practice of moose and elk that's taking place in Duck Mountain Provincial Park.

HON. A. MACKLING: Well, Mr. Speaker, from time to time governments of the day, including past administrations, have been faced with the problems of the slaughter of animals out of season and, of course, it's an ongoing problem. I think poaching of fish and animals has been recorded in history from the time that animals were considered to be in the public domain and that's an ongoing problem.

It's one that we are addressing, I hope, with the same vigour as the previous administration, perhaps with more effectiveness because we have been spending more money in the area of co-ordinating the services of the conservation officers.

MR. W. MCKENZIE: Thank you, Mr. Speaker. I wonder if the Minister can advise the House if these uncontrolled killing practices in the Duck Mountains which in some quarters say reduced the moose population, a hundred elk, a hundred or so, what affect will that have on the hunting licences granted next fall in the Duck Mountain Provincial Park?

HON. A. MACKLING: Mr. Speaker, I want to make it clear that I'm not accepting the base of the honourable member's question that there is uncontrolled, extensive, illegal hunting. There's obviously some illegal hunting or illegal poaching goes on in every era. I don't think it is out of control; I think that there have been instances but I don't think they're such as to warrant the kind of alarmist words that the honourable member is using in his questions.

MR. W. MCKENZIE: I wonder then, Mr. Speaker, will the Minister get in touch with, or call a meeting of, the Manitoba Federation of Game and Fish Associations and Game and Fish in Roblin, Russell, Grandview, who are most concerned about some of the things that are taking place and sit down with them and see if they can't come up with a solution to the problem?

HON. A. MACKLING: Mr. Speaker, I welcome the presence of members of Game and Fish Associations to my office and I've done that on a very extensive basis. I've had a number of meetings with Game Association people from all parts of the province and when they have concerns we will respond to them.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker. My ques-

tion is for the Minister of the Environment. I wonder if the Minister can explain why, in the case of a toxic chemical spill in the Transcona area yesterday, it apparently took 75 minutes for his department to have an environmental officer at the scene to assist in the safe handling of the spilled material?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. J. COWAN: What I can provide to the Member for Tuxedo is a report on that incident and try to explain to him the procedures that are in place and some of the actions that we are taking in respect to responses which are necessary in incidents like this.

Of course there was a spill yesterday at approximately 11:12 a.m., of a liquid fertilizer. Approximately 5,500 litres of this fertilizer ammonium nitrate and ammonium polyphosphate were spilled as a result of a truck overturning. This occurred at Ravenhurst and Pandora Avenue in East Transcona. At 11:12 a.m. we received a report in Environmental Control Services; at 11:20 a.m. an environmental officer was sent to the particular site. The environmental officer arrived at the site at 12:20 a.m. and that's where you find the difference in time. What you have to understand, of course, is that the environmental officer was located in the offices and had to go completely across town in order to arrive at the site. There was —(Interjection)— Well, the members opposite tend to make light of that but it's a very serious concern of ours and I'm certain it's a very serious concern for the Member for Tuxedo, even if his colleagues don't share that serious concern. But it is, in fact, an area which is worthy of review. Our environmental officers don't, of course, have sirens on their vehicles. They don't, of course, have the power to exceed the speed limits or to drive faster than the limits allow, so they are going to have to abide by traffic regulations as they make it from one side of town to the other.

In this instance, this did not seem to be a particular problem. The initial phone call, which was taken at the office, indicated that there was a spill; the environmental officer said that he would attend the site. There did not seem to be any concern about him getting to the site in a hurry as a result of that phone call. I think the Fire Department in this instance did the proper thing to wait for the environmental officer to attend the site to provide the expertise and the advice which he had and was able to provide to them in respect to the proper disposal and clean-up methods, and for that reason, I think, in this instance, things worked out relatively well in spite of the delay.

However, I am concerned that in future instances, different substances may be involved and this sort of delay could, in fact, impede an effective cleanup. I must reiterate that I do not think it did so in this instance. So what I have asked my department to do as a result of this incident is to contact the Fire Department, and they are now in the process of doing so. They have phone calls in to the Fire Chief, both the Fire Chief who was reported as having comments in the article and other Fire Department officials, to ask for a meeting, to sit down with them to discuss ways and means by which we can ensure that a delay of this sort wouldn't have a more profoundly negative impact

in the future. We take this matter very seriously and we'll be looking at ways by which we can quicken our response time. That may mean giving initial instructions over the phone when it is determined that those instructions are necessary, or it may mean finding some way to get a police escort to a site if it's necessary. But we're certainly concerned about delays which may be experienced as a result of normal traffic and distances that need to be travelled and we will sit down to attempt to work out ways by which we can respond more quickly.

MR. G. FILMON: There appears to be some discrepancy between the information which the Minister has given and the testimony of the Fire Chief involved in the scene, in that it appeared from his report that it took one-half-hour for the officer to be dispatched from his office. My question to the Minister is, did the Fire Department use the special emergency spill hot line which his department instituted earlier this year?

HON. J. COWAN: I can certainly find out what particular phone number they called in order to direct our attention to this matter and get that information back to the member. However, whichever phone number they used, I can assure him that they had responded very quickly and had called the Environmental Management Division very quickly and, within eight minutes of that phone call, I am informed that an officer was dispatched. I have every reason to believe that is the correct information, because that is the information provided to me by those people who were at the scene of the receipt of the phone call and consequently at the scene of the departure of the environmental management officer.

The Fire Chief was not at that scene and therefore I don't know how he can determine that it took one-half-hour for an officer to leave the building. I am informed that is not the case. I will certainly, when I've entered into discussions, or my staff have entered into discussions with that particular individual who gave that testimony - to use the words that the Member for Tuxedo used - ask him how he arrived at that conclusion.

MR. G. FILMON: Just for the assistance of the Minister in tracing it down, the Minister indicated that the spill occurred, I believe, at 11:12 a.m. whereas the Fire Department Captain indicated that the call came into the Fire Department at 10:50 a.m., and obviously if the hot line was not used and there was some 20 minutes time between the time that the Fire Department was notified and the time that his department was notified, the hot line is not working as he said it would when he announced it a couple of months ago and so I think that there's a case here for the department to be concerned.

HON. J. COWAN: The Fire Chief, in his report, indicated, of course, that the spill took place at 10:50 a.m. We received a call at 11:12 a.m. There may, in fact, have been some time elapsed as a result of the fire department arriving at the scene. I will certainly determine more specifically for the member the chronological actions which took place after 10:50 a.m. when the spill took place and I will report back to him.

I share his concern that we have to have in place more effective reporting mechanisms to ensure that environmental management people are able to attend the scene very quickly. I am not convinced, by either the article which appeared in the paper or by his representation at this time, that this incident was one which would cause us grave concern other than it points out to us a need for ongoing and continuing communication between the different parties, which are going to be necessary at a scene of an environmental accident, to ensure that we have the most effective means of communication in place.

I can only give him the assurance that we treat this matter with a great deal of seriousness and that we are going to continue to improve upon the mechanisms which we have in place until such a time as we are satisfied, until such a time as other parties are satisfied, and I can give him the assurance until such a time that he is satisfied, that we in fact, have in place a program which will allow for the fastest and most effective use of environmental management personnel when a spill such as this occurs.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOWNEY: Mr. Speaker, I have a question for the Minister of Agriculture. In view of the press report today in the Winnipeg Free Press, the Minister indicates that there'll be a major shake-up of the Department of Agriculture to implement a central control mechanism within the department which would be close to the Cabinet, who does he propose to fire from the Department of Agriculture, and who does he propose to replace those individuals with, to become that Central Planning Agency, Mr. Speaker?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Mr. Speaker. I thank the honourable member for his question. It appears that the reporter may have been at the Winnipeg Chamber of Commerce monthly meeting slightly ahead of time for that and attended well into the happy hour before the dinner in order to make the statements that he has made, Mr. Speaker.

I have a copy of my remarks that I made at the meeting in which I spoke to the Winnipeg Chamber of Commerce, my copy of the remarks I have here, Mr. Speaker. I really don't know where that reporter could have received such an impression. In fact the reorganization of the department, which was raised in the House here sometime ago and which I commented on indicating that what we wanted to do, with respect to the reorganization, was to separate the central functions of the department dealing with various services and the regional services so there could be a closer liaison and closer working relationship between those two groups, so that services could be provided in a direct manner to the farmers of Manitoba.

Mr. Speaker, all I can say with respect to that comment, someone must have been at that happy hour for quite a length of time before my remarks.

MR. J. DOWNEY: Mr. Speaker, I think the Honourable Minister has made some serious accusations about a

member of the press who is well-known in the farm community and within the circles of reporting for the farm community. Can the Minister substantiate and prove the statement he has made, that the individual was at the happy hour and has put his report forward while being under the influence of being at a happy hour too long? Can he substantiate and prove that for the farm community? —(Interjection)— Say so outside the House and make those same comments.

HON. B. URUSKI: Mr. Speaker, I not only will table my remarks to the honourable member that I made - I have a copy of the speech here - but I will quote from the speech which I gave with respect to marketing boards if the honourable member wants and I will read it to the honourable member. Mr. Speaker, I quote from my speech where I indicated to the Winnipeg Chamber of Commerce where I said:

"I sincerely appreciate your responsible approach to assessing the problems related to agricultural marketing agencies with supply management powers. You are no doubt aware that these have been subjected during the past few years to strongly one-sided negative criticism. You realize that our government supports the use of marketing boards, as necessary, to improve the bargaining position of producers. I know that if they were to abuse these powers they could adversely affect the public interest including the welfare of agriculture-related businesses as well as consumers. You can rest assured that the Manitoba Natural Products Marketing Council will fulfill its supervisory role better than it has in the past few years because it will be provided with increased research capability in the near future."

Those were the comments, Mr. Speaker, that I made directly with reference to the marketing boards. I should indicate that I, during question period, was asked about the reorganization of the department in which I made comments along the line that I have made to the honourable member, at the time where I indicated in this House and in reply to the question with respect to the functions within the department; nothing in a shade close to resembling a matter of policy direction coming from Cabinet.

Frankly, Mr. Speaker, I believe that government as a whole should have a central function in terms of planning approach to the various departments and co-ordinated approach in planning, rather than each department going off on its own. But, Mr. Speaker, I had not made those comments at that time and I made no reference to that.

MR. J. DOWNEY: Mr. Speaker, it may have appeared that the Honourable Minister had been at the happy hour somewhat prior to the member of the press that he's referring to, and his memory is somewhat a little bit in the state . . .

MR. SPEAKER: Order please. Would the Honourable Minister of Agriculture state his point of order.

HON. B. URUSKI: Mr. Speaker, I did not accuse somebody of doing something. I assumed that member of the press was and could have been somewhere because how could he interpret my remarks the way he did. Mr. Speaker, my point of privilege is, the

member was not there at the time that I made those remarks, I came to the meeting and I left fairly early because I had a funeral to attend in the evening, Mr. Speaker, and I ask him to withdraw those comments.

MR. J. DOWNEY: Mr. Speaker, on the point of order, I do not plan to withdraw those comments because he has made a statement in here making an inference to a member of the media and the press, that individual is not able to protect himself or herself, and I would hope he would be man enough to make those same statements outside the House as he has made in the House, or make an apology publicly in the Legislature.

A further question, Mr. Speaker, what research and backup information does the Minister have to make such statements as this, that he says the marketplace has had the worst effect in distorting prices. In other words, another comment he made that I know, "that federal policies in open market wheeling and dealing were causing more economic and trade distortions than marketing boards. Uruski has said." What backup documentation and research work has the Minister done to be able to justify those kinds of statements? Could he also provide that information?

HON. B. URUSKI: Mr. Speaker, in terms of the entire article — I won't even go into the contents — because most of the article with respect to comments about federal and provincial relations and the like, was not accurately quoting my remarks. But with respect to the comments of the marketplace distorting the prices, all that one has to look at is the relationship of the last few years of grain prices rising on the world market as related to the price of land, and the marketplace distorting the whole scenario in terms of the agriculture production and the price of land, Mr. Speaker.

MR. J. DOWNEY: Mr. Speaker, a final supplementary to the Minister. Does he plan to put price controls on land? Is that what he's telling us he's planning to do? Is he going to put price controls on the farmlands in the province?

HON. B. URUSKI: Mr. Speaker, at least now the Honourable Member for Arthur acknowledges that the way the cost-price escalation in agriculture for new people entering agriculture is nigh on impossible for young people entering that industry. He now at least, admits that it is nigh on impossible for new people to enter agriculture the way the escalation of prices have gone and especially of the resource of land. We need new people into agriculture. We have to allow for the transition of new people, Mr. Speaker, not close up options to new people. In fact, those people who were forced to purchase land by the changes in the lease agreements that the former administration made are now those same people who are in grave difficulty because they have levered themselves to such a great extent that they are having great difficulty in repaying those loans and are in financial trouble, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. R. NORDMAN: Thank you, Mr. Speaker, to the

Minister of Environment. With the establishment of a sewage lagoon on Shoal Lake in the vicinity of the outlet to the source of fresh water to the City of Winnipeg, can the Minister confirm that there is no detrimental threat to the water supply, and can he tell us what his department has done to assure us that there will be clean water supply to better than half the population of the Province of Manitoba?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. J. COWAN: Well, I certainly can't assure the honourable member that there would be no detrimental impact of a sewage lagoon being established at that site if, in fact, one is being established.

I have heard much of the same information, perhaps more than the honourable member and others in respect to this particular situation. I have asked my department to contact different jurisdictions in respect to beginning to initiate a response to any suggestion of the construction of a sewage lagoon in that area. They have done so. We are now looking at the options which are available to us if, in fact, a sewage lagoon is anticipated in that area. I can assure the member that we will be taking all the appropriate actions which are available to us if, in fact, the rumour which he has heard as well as others, proves to be substantiated.

We are quite concerned about the water supply of the City of Winnipeg, as we are quite concerned about the quality of water throughout this province. As Minister responsible for the Environment, I can assure him that we will respond quickly and comprehensively to any suggested activity which may, in fact, have a detrimental impact on the water supply or may have a potential for a detrimental impact on the water supply in the future.

So we have entered into discussions with other jurisdictions, including the Federal Government, in respect to this matter. We will continue those discussions. We will also be talking to the parties directly affected in the very near future to clarify their intentions in this regard and we will be taking all that action which is appropriate in respect to ensuring the protection of the water supply which he is concerned about as well as most of Manitoba.

MR. R. NORDMAN: Mr. Speaker, I believe it is more than just rumour. I believe that the Chief - Herb West, I believe it is - has made the statement on the radio that this is happening.

HON. J. COWAN: Yes, I understand that Chief Herb Red Sky has, in fact, made some public comments respecting the construction on the sewage lagoon. We are now, as I indicated earlier, taking what I believe to be the appropriate reaction in response and, that is, getting in contact with the Chief. We are not limiting ourselves to that activity, we are also initiating and maintaining contact with other jurisdictions who may, in fact, have some authority in this regard or who may be able to provide us with advice which may enable us to better respond to this situation; we will continue to do so. I can give the member the assurance that we are going to do everything that is within the power and the purview of the Provincial Government to ensure that

the water quality of the water supply for the City of Winnipeg is protected.

There are options which are available to us. There are options which we will exercise if, in fact, we believe they are necessary. I do not want to leave the impression, which he may have suggested by his supplementary question, that we are not taking the appropriate action. We have not at this date seen any definitive evidence of construction of the sewage lagoon. We are concerned about the reports. We are making contact with the appropriate persons and we will take the necessary action with all due haste and due speed and in a comprehensive and what I would believe would be an effective way.

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Yes, Mr. Speaker, I think I can understand now why it took a half-hour for the person to be dispatched to the scene yesterday. The call must have come into the Minister's office.

My question is for the Minister of Housing. I wonder if the Minister could look into an apparent backlog in the processing of applications for the Critical Home Repair Program.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, I am pleased that in the context of the honourable member's question he's reflecting on the success of our promotion of this program. This program had languished in the last several years and had really been down to a trickle of activity; that activity has been renewed. I am pleased that we have a large number of applications. We haven't been spending our money like drunken sailors and hiring a large number of civil servants unnecessarily to sit and await these applications. As the volume grows, so will the workers to handle them.

MR. G. FILMON: Mr. Speaker, I'm pleased to hear the Minister's concern. This was a matter that we discussed in his Estimates review, and given the fact that they have spent \$50,000 or \$60,000 in advertising the program, it's understandable that many applications will come in.

I am told by a person who has called in with an application, and I would like the Minister to check into it, to the assertion that they are 3,000 applications behind so I think it is time perhaps that they do consider staffing it adequately, so that applications can be processed in order for work to be done this construction season.

MR. A. MACKLING: Mr. Speaker, I won't confirm or deny the speculative number that the honourable member uses. I am happy that the program is being successful by the large number of applications. We certainly will be responsible about hiring additional people, including students if that is possible in the peak periods, to facilitate the early handling of these applications.

MR. SPEAKER: Order please. The time for Oral Questions having expired, Orders of the Day.

ORDERS OF THE DAY

ADJOURNED DEBATES ON SECOND READING

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the adjourned debate on Bill No. 2?

BILL NO. 2 — THE RESIDENTIAL RENT REGULATION ACT

MR. SPEAKER: On the proposed motion of the Honourable Minister of Consumer and Corporate Affairs, Bill No. 2 standing in the name of the Honourable Member for St. Norbert.

MR. G. MERCIER: Thank you, Mr. Speaker. I'm pleased to participate in the debate on this piece of legislation which is not only important for my constituency, but for most urban constituencies, Mr. Speaker.

Mr. Speaker, whatever the alleged weaknesses were of our government's Arbitration Program, the fact is that under that program rent increases in Manitoba were well below those in provinces which sustained so-called stricter programs of rent controls. The Minister's Annual Report for 1981, Mr. Speaker, in fact confirms that, where he states on page 18 that, "There were in total, 1,107 rent increases were arbitrated in 1981; 64 by voluntary arbitration and 1,043 by compulsory arbitration, and approximately 88 percent of the arbitrations conducted resulted in a reduction in the rent being requested by a landlord."

Mr. Speaker, this is the 1981 Annual Report signed by the Minister of Consumer and Corporate Affairs, the Minister who introduced this legislation some weeks ago in this House. This is the same Minister, of the same government, who stated in their election program that rent controls would be reintroduced to ensure affordable rental housing.

Mr. Speaker, I believe that promise compared to the actual facts of what was occurring in the Province of Manitoba under the Rent Mediation and Arbitration Program, does not reflect the statement in the NDP election program, does not reflect what was actually occurring in Manitoba. We did indeed, Mr. Speaker, have a rent control program. We had an effective rent control program. Rent increases were well below those in other jurisdictions in this country, Mr. Speaker, and that statement I think to a certain degree, was misleading to the voters of this province, many of whom were led to believe that there was no rent control program in Manitoba. As a result of those types of statements made in written literature and at the door in constituencies throughout this province, the new government attracted some votes I think they would not have had if people had been aware of the true situation.

The political mistake that we made, Mr. Speaker, was that we did not call our program what it really was, a Rent Control Program. I think if we had, I venture to say that there would not have been the number of changes in seats that occurred in the election last fall.

I could name seats in particular I think, where the types of representations that were made by the NDP allowed them to win those seats when the public was not fully aware that we did, in fact, have a Rent Control Program under our government, and a very effective one.

Mr. Speaker, in fact, our Leader said during the election that if our legislation permitted unfair rent increases to occur that we would take the necessary steps to amend our legislation to prevent unfair increases. I think the record that we had during those years, Mr. Speaker, indicates a true concern for the plight of tenants faced with unfair rent increases and this Bill now gives us another opportunity, Mr. Speaker, to discuss the most appropriate protection for tenants in the short term and the long term.

Mr. Speaker, I don't intend to deal, in particular, with individual sections of this Bill. It will be dealt with in detail, section-by-section, at the Law Amendments Committee. I do say to the Minister I fear that it contains some excessive bureaucratic control in reporting and excessive powers to officials under this legislation. Many of its individual provisions are difficult to accept and I believe amendments will be offered at Committee stage after Second Reading, by our side and by many members of the public who appear before the Committee to review this particular Bill.

I do point out for the record too, Mr. Speaker, that yesterday during consideration of the Estimates of the Department of the Attorney-General, the Attorney-General agreed, in view of the fact that he has no committee or process in place to review legislation brought into this House in order to determine whether or not it complies with the Canadian Charter of Rights and Freedoms, he agreed to review this Bill and the first contract legislation and give his assurances to the House later on that, at least, in his opinion these Bills comply with the Charter of Rights and Freedoms.

There are some sections of this Bill that I think have to be looked at particularly hard and those deal with certainly the powers of search and seizure in the Bill, retroactivity, the basic fairness of the legislation and whether or not it conforms with accepted principles of natural justice.

So, Mr. Speaker, I look forward to hearing from the Attorney-General with respect to this Bill, I hope before it proceeds to Committee, to receive his assurances to its compliance with the Charter of Rights and Freedoms.

Mr. Speaker, there are of course I think almost well accepted principles in this country and in other countries with respect to the suitability of rent controls in the short term and the long term. Many of the experts and people who have studied rent controls point out that they could have the possible effect of raising rents higher than they would otherwise go and often hurting tenants more often than they help them, as a rent-control ceiling becomes a government-sanctioned minimum which landlords feel that they can impose whether they're cost warranted or not.

In addition, Mr. Speaker, it's suggested that rents may rise more rapidly than they would otherwise have because landlords are able to recover costs through rents in excess of the stated maximum but these costs without controls are often difficult to pass along where there is a competitive free market situation.

More importantly, Mr. Speaker, there are long-term disadvantages of rent controls that are cited, the most important one being that they will tend to discourage new apartment construction which is the tenant's best guarantee against unreasonable rent increases. Over the long term they tend to distort the housing market and restrict the supply and damage the quality of rental housing.

Capital investment goes to other things, Mr. Speaker, when there are government-imposed limits on the rate of return, even when new apartments are not controlled. Mr. Speaker, owners know they must compete with cheaper controlled units and they may live in fear that controls will be extended.

The investors, Mr. Speaker, must be certain of getting a reasonable rate of return. Perhaps the Minister could indicate whether or not he, if he were in a financial position to invest money, would he invest in a new apartment block in Manitoba today with this piece of legislation, with rent controls? Mr. Speaker, rent controls it is suggested, make the situation worse over a number of years because of a lack of new construction; the situation becoming more and more unfair as people with ability to pay live in controlled cheaper apartments and younger people and perhaps workers moving into the Province of Manitoba are forced into new uncontrolled accommodation and have to pay rents that they cannot afford.

Mr. Speaker, a further criticism of rent controls - and I think it is perhaps a valid one with respect to this piece of legislation - is that the play of market forces is substituted with the judgment of bureaucrats. What is almost more important than what this Act says is how it will be administered and regulated by this government, Mr. Speaker.

The decisions the government will make under the authority of the legislation under the regulations in the administration of this Act are almost as important as the terms of this Act. I must say, with regret, that my observation of this government to date does not inspire me to have much confidence in their ability to make wise decisions and that, Mr. Speaker, will only further inhibit the construction and supply of rental accommodation in Manitoba.

Mr. Speaker, there is no doubt that under the existing situation and the existing circumstances, the report that we have read about in the newspaper from CMHC indicates that the vacancy rates are reducing. It is apparent that there is virtually no apartment construction coming on stream. I believe the latest information from the city indicates in fact there are absolutely no permits issued for this type of construction in 1982 in the City of Winnipeg.

Furthermore, Mr. Speaker, the high interest rates are virtually prohibitive to people from buying their own homes and vacating their existing apartments and moving into their own homes. There is virtually no housing starts under way in Manitoba in 1982 which would substantiate this position.

We have seen, Mr. Speaker, unprecedented layoffs and we hear more about them each day, whether it be the CNR, the CPR, the garment workers or wherever, and what we read in the newspaper, hear about on radio and see on television is only the tip of the iceberg, because more and more layoffs are occurring with employers every day in Manitoba. We see the

increase in bankruptcies; we see the increase in unemployment increasing dramatically; we see, Mr. Speaker, the tax burden increasing under this government. The payroll tax will only further exasperate a very difficult situation for unemployment and capital investment in Manitoba. The economic plight, Mr. Speaker, of individuals in our society today in Manitoba and in particular tenants, I believe is a very distressing one.

I'm, therefore, prepared, Mr. Speaker, to continue to support the concept of rent controls as a short-term measure to protect tenants from unfair rent increases which might occur in these difficult economic circumstances which exist today under this government but, at the same time, holding the government fully responsible for the administration of this program and for developing, Mr. Speaker, a more appropriate long-term solution to the problem. Mr. Speaker, rent controls can only be a temporary measure to resolve this problem.

Mr. Speaker, the long-term solution which is required by government has to be with the objective of encouraging the construction of new rental accommodation in Manitoba. I do point out that to exclude from the control program new construction for only a four-year period is totally inadequate. This is an insufficient period of time, Mr. Speaker, for investors to recover their costs and I think the Minister is going to have to give serious consideration to extending that period of time.

Mr. Speaker, the Minister criticized the Federal Government's decision to do away with tax incentives that helped encourage new housing projects but he has offered nothing to replace those incentives. I submit to the Minister, Mr. Speaker, to the government, that public housing construction will not be the answer other than for specific and limited groups of people in our society who do require that type of accommodation. What I do suggest to the Minister, Mr. Speaker, is that he should look at the rent subsidy programs which we initiated in the Province of Manitoba and which, I think, were well regarded across Canada as being innovative and successful - the SAFER program and the SAFFR program, for example, Mr. Speaker.

By using and expanding rent subsidy programs, Mr. Speaker, we could get the best of both worlds. We could let the market rule and thereby encourage the private sector to invest in rental accommodations, but at the same time the government would subsidize those who are in genuine need, Mr. Speaker. Only by allowing the market forces to work will the people of Manitoba be ensured that there is an adequate supply of good housing available over the long term. Rent controls are an inefficient and inequitable means of providing assistance to needy tenants. Assistance is not targeted under rental controls, Mr. Speaker, to needy groups. A program of shelter allowances providing rental subsidies to needy tenants, I suggest, is more efficient and equitable than either rent controls or public housing. Such a program would help those who need it, and ensure that all truly needy families and individuals obtain housing at an affordable cost. At the same time it would encourage private investment in the housing sector because the market forces would be allowed to operate.

Over the long term, Mr. Speaker, such a solution must be found because rent controls can only be a temporary measure, not a long-term measure. I hope, Mr. Speaker, when the Minister concludes debate on second reading that he might indicate to this House what long-term measures he proposes to bring forward in order to ensure an adequate supply of rental accommodation and construction in Manitoba.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Mr. Speaker. I am pleased to speak today on the second reading of The Residential Rent Regulation Act and to speak wholeheartedly in favour of it. During the election rent controls was a major issue, not just in the City of Winnipeg but in other parts of the province as well and particularly in Thompson. And I must say that the message of the people of Manitoba was pretty clear; they wanted rent controls reintroduced. If passed, this Act would do just that, it would reintroduce rent controls and that is the reason why I'm so strongly in favour of its passage. I fought personally against the removal of rent controls several years back, Mr. Speaker. I felt at that time that it would open up the way for major increases in rent and I think the records show that did, indeed, happen. Once rent controls were removed there wasn't sufficient control on what landlords could ask in terms of rent increases and the increases went up rather dramatically. So I'm pleased personally to see the reintroduction of controls, in fact, not just of rent controls, as such, but an improved version of rent controls.

But I must say, Mr. Speaker, that my own personal feelings in this particular case are shared by my constituents, because in Thompson the message I heard time and time again throughout the election campaign from tenants is that we need reintroduction of rent controls. Members of this House might find that rather surprising at first glance. Because of the population decline we've had over the past few years our vacancy rate in Thompson is presently approximately 35 percent, Mr. Speaker. If one were to accept the arguments of the members of the Conservative Party one would expect there wouldn't be rent increases. No, Mr. Speaker, there wouldn't even be stable rents, there would probably be reductions in rents but that hasn't happened, and it hasn't happened because of a number of reasons.

First of all, while the vacancy rate is 35 percent, we actually have a large number of closed-up apartments and these apartments have been closed up, Mr. Speaker, not just by private landlords but by the CMHC which, of course, is run by the Government of Canada. Because of the number of apartments that have been closed up there is a lack of competition in the City of Thompson and, in fact, that lack of competition has resulted in rents that are still higher than Winnipeg's. That's correct, Mr. Speaker, we have rents that are higher than Winnipeg's despite the fact that we have an official vacancy rate of 35 percent. And that isn't the only problem the tenants are facing, Mr. Speaker. In the past few years complaints about poor maintenance have increased rather dramatically. In

fact, if you talk to any tenant in Thompson today - virtually every tenant, actually - you will find that one of the significant complaints about rental accommodation in Thompson is that they are poorly maintained.

Surprisingly, Mr. Speaker, another problem is that there is actually a shortage of some particular units - of housing, of townhouses and of apartments in Thompson. That's correct, Mr. Speaker, a shortage of some units. This, of course, is because of the close-up of a number of apartments. Landlords, and I include in that category the CMHC, are reluctant to open up those units to maintenance them properly and they have set up rather long waiting lists which force people either to accept inferior accommodation, or to go without accommodation for a considerable period of time in these units. So those are some of the problems we have in Thompson, Mr. Speaker, we have still relatively high rents, we have poor maintenance and we have a shortage of some units.

The other question then really is, what is happening in terms of the trend of rents in Thompson? Well, Mr. Speaker, once again this may be a surprise to members of this House; it certainly will be a surprise to the members of the Conservative Party who are always talking about the competitive free market system. Despite the fact that we have a 35-percent vacancy rate our rents are continuing to go up and, in fact, if one compares the rent increase situation in Thompson I think you'll find that our rent increases are actually even higher than in the City of Winnipeg where, I understand, the inflation vacancy rate is approximately 3 percent. That shows I think, Mr. Speaker, some of the problems that exist with the unfettered free market system. It also shows why we need rent controls so badly.

For the information of members of this House, I would like to read some of the increases that are being proposed in Thompson despite the 35-percent vacancy rate. These increases were in response to a survey I ran of all the identifiable tenants in Thompson approximately two months ago and these are all increases that have been posed already for this year or have been posed for a later date this year.

In the Goldeye Apartments, Mr. Speaker, a 12 percent increase; in the Coral Apartments, 12 percent; Davis Bay, between 12 and 14.5 percent; on Cree Road, 12 and 13 percent; on Centennial, 10 and 12 percent; on Nickle Road, between 12 and 16 percent; on Cambridge, the rent increase proposed for this year is 11.5 percent; Ottawa Place is 12.5 percent; on 247 Princeton Drive, Mr. Speaker, 15.1 percent; 424 Princeton, 12 percent. I could read more figures, Mr. Speaker, but the figures for other apartments and townhouses, other forms of rent accommodation in Thompson, are all pretty much in the same range.

I would note, Mr. Speaker, that under the regulations that have been announced which would come along with The Residential Rent Regulation Act, the guideline figure for rent increases would be 9 percent. In other words, any increase 9 percent or more would be subject to automatic review under this Act. I note, Mr. Speaker, that not only a vast majority of the increases I've just listed are above that figure, practically all the increases are above that figure. So despite our 35 percent vacancy rate, Mr. Speaker, virtually all rental accommodation in Thompson will be covered

by The Rent Control Act that we're discussing today.

Now I've given some of the reasons why personally, I support this Act, Mr. Speaker, but at this particular time I'd rather read to the members of this Assembly what some of my constituents feel about rent control. These comments, Mr. Speaker, are once again from the survey I ran a couple of months ago, a survey to which there was a very significant response, and I'd ask the members of this House to bear with me as I read some of these. There's rather a large number of comments but it's not too often that the thoughts of the average guy on the street are brought into this Chamber and I think on this particular issue we might make an exception and start listening to the people for a change.

For example, a pensioner and his wife on Princeton Drive wrote, and I quote, "It sounds okay to us because we're old age pensioners and when you consider about \$70 a month just for medication, which also increases anywhere from 60 cents to \$1.50 per month for each prescription, any little bit helps. Thank you."

Another couple in Carlton Manor, Mr. Speaker, told me and I quote, "We do believe that rent controls will be a good thing. We moved into these apartments in September, 1981, and already have an increase of \$42 in this year. If this happens every six months we won't be able to stay here any longer. What is the answer? Pitch a tent?"

A more general view of the situation facing Thompson tenants, Mr. Speaker, from a tenant on Davis Bay who wrote, "I'm happy to see that you are trying to do something about the rent problem we have in Thompson. Here are some examples of what we have to pay for the Davis Bay area. 1. Rent after May 1 will be \$300 per month; 2. Hydro per month is \$80; 3. still gas per month during the winter months is on an average, \$225; that's a total of \$605 per month. So, do your best."

Mr. Speaker, this is indeed a typical situation that many people in Thompson face. The increases that this particular tenant mentioned, not just in rent, in hydro and in still gas.

I continue, Mr. Speaker. Another tenant wrote to me, "The rent is too high compared to places in Southern Manitoba (Winnipeg)." Another tenant wrote and, Mr. Speaker, I should mention at this particular time - I'll be more than happy to table some of the documents I'm reading from for the members of this House to read at their own particular time. I have no intention of reading all of them, but I felt perhaps a selection of them might give them some idea of what the people of Thompson feel on the rent control issue. Another comment, "I think rent control is a super idea. Some landlords increase the rent more than the amount of maintenance and repairs in apartment blocks." Another, Mr. Speaker, "I hope you hurry up and bring in controls. Thank you." Another one, Mr. Speaker, "My thanks to you and your government for the interest shown in a situation of great meaning to the little man." Another comment, Mr. Speaker, "I think it is good to have rent controls. It takes one week's wages to pay the rent," and it continues with the particular circumstances facing that particular individual. Another person also indicated they're very happy with the idea of rent control. I think, Mr.

Speaker, this particular one perhaps sums it up and I quote, "Rent control is great."

Well, that's what the people of Thompson think about rent controls, Mr. Speaker. I think the members of the Conservative Party would do well to note those comments because, in this particular debate, I've heard some rather strange comments coming from their direction.

First of all, they told us, Mr. Speaker, that they had a program of rent controls. That's what they told us. They said that their particular Act was, in effect, for rent controls. But, almost in the same breath, they said rent controls are bad; they don't work. Well, that's somewhat contradictory, Mr. Speaker, but fortunately we don't really have to analyze that contradiction because neither of those statements are true. Their program was not a program of rent controls; their program was a program that was of knowledge to very few people and was used by even fewer, a program where you had to request an increase, where any arbitration that could take place might only apply to the particular apartment that you lived in rather than identical suites in the same block or the same area and it was the appearance of a rent control program but, in fact, it was not.

It's the same thing with their statements about the problems with rent controls in general. I take it they're quoting from such sources as the Fraser Institute and, Mr. Speaker, the arguments put forward by the Fraser Institute, which are often echoed by the Conservative members of this House, often they are very simplistic and are usually against a type of rent control that does not exist here in North America, but has been imposed in Europe. In that regard, Mr. Speaker, I'm referring to the fact that the rent control programs that have been introduced here in North America, and the one that we have before us, are not blanket rent controls; they're not owner-oriented rent controls whereby only that person living in the suite is covered by that rent control program so long as they live there, because that kind of program leads to all sorts of anomalies, Mr. Speaker.

You have someone who has been there 20 years paying one-half the rent of someone who has just moved in the day before. That's not the kind of program we're talking about here today, Mr. Speaker, and neither is it the kind of program that discourages new residential construction, as is the case with some rent control programs in Europe. In this regard, Mr. Speaker, I point out that this particular Act says that new construction will be exempt from rent controls for an initial rent-up period.

I could continue, Mr. Speaker, but I think as I've said, it's quite clear that the arguments the members of the Opposition have against rent controls don't hold much water. I must say it's rather sad, Mr. Speaker, to hear this kind of contradictory arguing here in the Legislature. I would personally much rather see members of the Conservative Party get up and say exactly what they really think about rent controls and, that is, that they'd rather have none at all. They'd rather have landlords be free to increase rents by whatever possible. I think that would be a statement which would be a more honest reflection of the opinion of the Conservative Party.

Mr. Speaker, the honourable members opposite are

talking rather a lot about that now among themselves. Perhaps they're discussing whether this is indeed the approach they should take because I could tell them, Mr. Speaker, in Thompson, that was the kind of approach that their people were putting forward; that is the kind of approach that they put forward as a party, door to door. We said we wanted rent controls. Many of the Conservative candidates said no. One of the reasons there are 34 members of the NDP here today is that we listened to what the people had to say - not the landlords but the people - and the people, as I indicated in these letters before, said they wanted rent controls. They said we want it soon; we need it soon. As I said earlier, Mr. Speaker, I'll tell you about these documents if members opposite want. The people of Thompson were not unreasonable. Very few people said that there should be no rent increases. Many people said that there should be 10 percent, 9 percent; there were various figures. They said the key thing though is that they should be justifiable.

They said that any rent increase should either be introduced for one of two reasons, Mr. Speaker; one, is an increased cost or, two, is to maintain present services. But they are saying today in Thompson, Mr. Speaker, the tenants are saying today, that there have not been legitimate increases in costs which justify 10, 12 and 15 percent increases and there has not even been the maintenance of present services which would justify even an inflation-plus increase. They are saying today that they are paying more for less and they need the protection that rent controls give. That is why, Mr. Speaker, apart from my own personal feelings on this situation, I'm listening to what the people of my constituency are saying; I am voting for rent controls.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: I move, seconded by the Honourable Member for Fort Garry that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, there's an agreement that there will be no Private Members' Hour today. It is the intention to move into Supply for Estimates and there is consent to adjourn the House at this time.

Accordingly, on that understanding, I would move, seconded by the Minister for Economic Development that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty and that the House do now adjourn.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: On a point of order, Mr. Speaker; no disagreement with anything specified by the Government House Leader except that I think there was also another part of the agreement, which doesn't

affect the House admittedly, but members should know, I think there's an agreement that consideration in the Estimates process will continue only until 5 o'clock.

HON. R. PENNER: That is right; that is the agreement.

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 the Education; and the Honourable Member for The Pas in the Chair for the Department of the Attorney-General.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY — ATTORNEY-GENERAL

MR. DEPUTY CHAIRMAN, P. EYLER: Committee come to order. We are considering the Estimates of the Attorney-General's Department. We're on Item 6. Legislative Counsel.

The Honourable Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, the Attorney-General indicated there was an increase of one-half staff man year in this department, I believe, if I got his figures correctly.

HON. R. PENNER: Yes, that's right.

MR. G. MERCIER: Could you indicate the function? Is that a lawyer or a secretary?

HON. R. PENNER: This is term assistance for the proof reading of Statutes. My understanding is that the person is in place during the busy season, as it were, so that when Statutes come back from the printers they're proofread before being okayed at the printers for the runoff.

MR. G. MERCIER: Mr. Chairman, shortly after we first came to office we had a meeting of the, I believe it was the Committee on Statutory Orders and Regulations, whose function is supposedly to review the regulations passed by Cabinet and determine whether they are in compliance with the Statutes and have full legislative authority.

The Committee agreed that since the work had not gone on for some period of time during the previous NDP government that Legislative Counsel would begin at some fixed period of time - I don't recollect the exact period of time when the work was to begin - but I believe that as a result of the lack of staffing and manpower under the Legislative Counsel none of that work was done. We added one lawyer to the Legislative Counsel's office but now there's the additional burden of the French translations and, in addition, I believe one member of the department has not been well for some period of time and hopefully he will soon be back in good health full time.

I'm stating this, Mr. Chairman, because I believe even though we added one person in this particular

area that, with the additional burden of the French translation service and the overall burden on this office, in the way of drafting legislation and reviewing regulations and Orders-in-Council and being called upon, particularly Mr. Tallin, to resolve a lot of additional matters, that the Attorney-General may wish to consider adding staff to this particular area.

HON. R. PENNER: Yes, the Member for St. Norbert is right. The Legislative Counsel, whom I believe is the best in Canada and I believe that view would be shared by the Member for St. Norbert, is overburdened, particularly during the course of a Legislative Session, and I'm aware of this and aware that that problem has been attenuated by the illness of one of the senior members of that group.

Accordingly, I am looking on a rather urgent basis at the possibility - something I hope to realize perhaps with the next few weeks - of an additional person who might, because of the variance in workload in that department through the course of a year, act at least half-time working with the Legislative Counsel and half-time on research with the department itself.

MR. G. MERCIER: I have no further questions.

MR. DEPUTY CHAIRMAN: Item 6. Legislative Counsel—pass; 6.(a) Salaries—pass; 6.(b)—pass. Resolution No. 23 — Resolved that there be granted to Her Majesty a sum not exceeding \$327,800 for Attorney-General, Legislative Counsel for the fiscal year ending the 31 day of March, 1983—pass.

The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, are there any additions to the manpower of the RCMP in Manitoba in this fiscal year?

MR. DEPUTY CHAIRMAN: Excuse me, are you on Item 7?

MR. G. MERCIER: I'm on Item 7, yes.

MR. DEPUTY CHAIRMAN: No. 7. Law Enforcement. The Member for St. Norbert.

MR. G. MERCIER: On Law Enforcement, Mr. Chairman, could the Attorney-General indicate whether there are any additions to RCMP staffing?

HON. R. PENNER: As the Member for St. Norbert will recall, under the terms of the Agreement there is supposed to be about an 18-month lead time in the notice that they give of their requirement for additional persons and the time when those persons are put in place, so that I was not immediately fully aware of what had been the development.

There is an addition of seven staff, not all police, some support staff effective April 1st and I've received the request. I should mention this now, for 1983-84, I think it's 11, and I think about 8 will be in the 3B Program, Native Constables, three clerical and that's for April 1st, 1983.

MR. G. MERCIER: Mr. Chairman, I believe the Attorney-General indicated in question period one

day that there was a 10 percent increase in the grants to municipalities?

HON. R. PENNER: That's right, an additional 10 percent for 1981-82 and in the Estimates there is 10 percent for 1982-83.

MR. G. MERCIER: Mr. Chairman, is Thompson paying at the high rate under the contract? There was a question whether they were over the 15,000 population and we were waiting for the census figures.

HON. R. PENNER: The census figures show them at 14,000-plus and change, and they're, therefore, at the lower rate.

MR. G. MERCIER: Mr. Chairman, has the Minister given consideration to a grant program to municipalities to try to assist municipalities, to an even greater degree, with perhaps the burden that smaller municipalities particularly will be faced with under the RCMP contract?

HON. R. PENNER: I'm sorry, would you repeat that question?

MR. G. MERCIER: Well, Mr. Chairman, I assume that the 10 percent increase in grants to municipalities was a continuation of the previous program and he, in fact, referred to it in '81-82 and then another 10 percent increase in '82-83. Is the Attorney-General giving consideration to any increase in grants to municipalities to deal with the effects of the new RCMP contract?

HON. R. PENNER: No, nor have I received any specific requests from municipalities who are receiving RCMP services on the extension contracts.

MR. G. MERCIER: Mr. Chairman, one aspect that arose from time to time was the question of establishing or moving detachment offices from one location to another or in a new location. Are there any changes being proposed; any movement of detachment offices or new offices that will be established?

HON. R. PENNER: I've received one particular complaint from the Town of Glenboro. It seemed to strike a familiar note there where —(Interjection) —

MR. G. MERCIER: The member wanted to be here, yes.

HON. R. PENNER: Yes, in fact the Member for Portage spoke to me outside of the Committee Room a short time ago and had communicated with me earlier. The Member for Gladstone. What did I say, Portage? I'm sorry, the Member for Gladstone, yes.

When I received the particular concern which related to the fact - and it is a fact - that the periphery, the outer boundary rather, of the detachment is something like 24 or 25 miles from the town where the detachment is housed. I've discussed that with the RCMP at my last regular meeting with the RCMP officials and expect to discuss it with the RCMP officials again early in June. But aside from that, I've had no intimation of any general plan for redefining the

boundaries and I'm not aware of any that exists.

MR. G. MERCIER: Mr. Chairman, the member did indicate that she wanted to be at this Committee meeting when this aspect was discussed but I believe she is in the other committee, so she will perhaps follow this up with the Attorney-General later on.

Mr. Chairman, I wonder if the Attorney-General could indicate the status of the consideration of the McDonald Royal Commission Report.

HON. R. PENNER: There's nothing that has been taking place in my department that I have organized with respect to studying the McDonald Report.

I believe that members of my department have attended a conference recently. There are ongoing meetings interprovincially between senior prosecutors in the departments and I think - is it the Director of prosecutions - either the Director of the Prosecutions or the Senior Crown Attorney who is attending those meetings from my department and, in fact, there was such a meeting three or four weeks ago and they are discussing the problems raised by some of the recommendations, but there's been no report yet.

MR. G. MERCIER: Mr. Chairman, as I recollect, Mr. Montgomery was representing this province on that committee of officials from other provincial governments and the Federal Government and they were reviewing the McDonald Report with a view to, I suppose if they could, arriving at some consensus on the implications of the report and I suppose some recommendations for action by provincial governments and the Federal Government, could the Attorney-General indicate when that review and report will be completed and when he expects it to be considered by himself and the other Provincial Attorneys-General and the Minister of Justice?

HON. R. PENNER: First of all, let me correct a statement I made a few moments ago. The person, in fact, who represents the Department of the Attorney-General in these interprovincial meetings is still Jack Montgomery and Mr. Montgomery will report through the Deputies, and the Deputies to myself, and there's nothing to report yet. I don't anticipate a report any earlier than the fall. This matter will be one of a number of items on the agenda of the meeting of Attorneys-General from the various provinces taking place in P.E.I. in October or November. —(Interjection)— Yes, in the month of October.

MR. G. MERCIER: Has an agenda been formed for that meeting?

HON. R. PENNER: It's too early. There is an exchange of opinion taking place at this time between officials, but it's very early on. Some matters have been referred from the previous meeting of Attorneys-General to that meeting and my recollection is that this is one of them.

MR. G. MERCIER: The aside was, Mr. Chairman, we don't know who the Solicitor-General will be at that particular time.

HON. R. PENNER: Do we know who the Solicitor-General will be?

MR. G. MERCIER: Unfortunately. I have no more questions on this item.

MR. DEPUTY CHAIRMAN: Item 7. Law Enforcement—pass.

Resolution No. 24. Resolved that there be granted to Her Majesty a sum not exceeding \$23,783,500 for Attorney-General, Law Enforcement for the fiscal year ending the 31st day of March, 1983—pass;

No. 8. Public Trustee (a) Salaries—pass; (b) Other Expenditures.

The Member for Virden.

MR. H. GRAHAM: Mr. Chairman, through you to the Attorney-General, I would like to ask if the Public Trustee has been caught up in any crossfire such as occurred several years ago when, I believe, as a trustee of the affairs of a person whose family was getting assistance to attend University, and when the trustee was asked to provide the financial statement that is required for student aid there seemed to be some reluctance on the part of the Public Trustee to provide that information.

HON. R. PENNER: I'm advised by the Public Trustee, Mr. Raichura, who is with us that there would be no problem in the kind of case mentioned by the Member for Virden where a person, an infant beneficiary, infant in the sense of being under 18, is applying for a grant, an aid, a bursary, student loan and is required to have certain information disclosed as to income from an estate, that information would be forthcoming.

MR. H. GRAHAM: No, this is not involving an infant. This is involving a young adult over 18 where the parents' financial statement must be filed under the Student Aid Program.

HON. R. PENNER: If you don't mind, just for clarification, to the Member for Virden, in the example you're using, is the young adult attending University?

MR. H. GRAHAM: Yes.

HON. R. PENNER: I'm not sure under what circumstances the person being of age would have an estate administered on its behalf.

MR. H. GRAHAM: I think the Public Trustee quite properly refused to divulge information because, in my opinion, the Department of Education was asking for information that was probably not within the realm of the Public Trustee to reveal. But it is a problem that we could possibly run into again because I don't believe the rules have been changed substantially for student aid, where it is still a necessity for the parents' financial statement to be filed in order for that student to get a bursary from the province.

HON. R. PENNER: In the kind of case where the Public Trustee is administering the estate of the parents who, for some reason, are unable to administer their own estate, let's say, mental infirmity due to age or

whatever cause, and the person in receipt of some income from that estate is applying for student aid and the university requests information from the Public Trustee, the Public Trustee exercises a certain amount of discretion. The basic rule is confidence, but in a case where there is a statutory requirement for the release of some information to support an application of the kind indicated, the Public Trustee would disclose, but just so much information as would be necessary for the purposes of the particular application.

MR. H. GRAHAM: I thank the Honourable Attorney-General for that because in the case that I referred to, and it was quite some time ago, there were two young aspiring university students had to drop out of university because that information was not available.

HON. R. PENNER: Yes, the Public Trustee recalls the case and the issue would be handled differently along the lines that I have indicated today.

MR. DEPUTY CHAIRMAN: 8.(b)—pass.

Resolution No. 25. Resolved that there be granted to Her Majesty a sum not exceeding \$1,196,400 for Attorney-General, Public Trustee for the fiscal year ending the 31st day of March, 1983—pass.

Item No. 9 Canada-Manitoba Legal Aid. 9.(a) Salary.
The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, in his introductory remarks the Attorney-General indicated there might be an announcement very shortly with respect to a new cost-sharing agreement with the Federal Government. I wonder if the Attorney-General can give us any advance information?

HON. R. PENNER: Our information is that such recommendations as there may be from the senior advisors in the Federal Department of Justice have gone to Cabinet through the Minister of Justice and are still at Cabinet level, and we're expecting some decision very shortly.

MR. G. MERCIER: Mr. Chairman, the Attorney-General indicated there was an addition of two staff man years. Could he indicate the functions of those two new positions?

HON. R. PENNER: Yes, one is a staff lawyer and the other is a clerk.

MR. G. MERCIER: Mr. Chairman, there was an announcement fairly recently that the new Legal Aid Board has done away with the user fee which was only collected in approximately 25 percent of the number of certificates that were issued. The news report indicated that it would result in a loss of revenue of some \$100,000.00. The Attorney-General might confirm whether those figures are correct and whether or not loss of revenue is taken into consideration in developing this Budget.

HON. R. PENNER: The anticipated loss of revenue because of the abandonment of the user-fee concept for this fiscal year is \$40,000, I'm now advised. It will

likely be more in subsequent years.

Now, I would just like to point out that there's an interesting figure which I think should be known, namely, that administration of Legal Aid — and the Executive Director is here, Mr. Freedman — advised the Board that about 85 percent of people who are accepted for legal aid but never showed up and there always is a no-show element. About 85 percent of those who didn't show at the lawyer's office to which they'd been referred were those who had user-fee stipulations on their certificate. I believe that's a significant statistic demonstrating what was alleged by the Social Planning Council in their analysis a few years ago, as they thought negative impact of the user-fee, namely, that it is a deterrent to those who might otherwise need legal services and be deterred by the user fee.

As to the second part of the question which I understood to be how the revenue loss will be made up in this and subsequent years. I did indicate in my opening remarks an expectation of increased revenues, both from the cost-sharing agreement — and that, of course, is still in Cabinetland — but more definitely from interest on lawyers' trust accounts; the figures coming in now on the interest on lawyers' trust accounts to be shared on some basis between Legal Aid and the Law Society, do indicate a significant increase in revenue.

MR. G. MERCIER: Mr. Chairman, just clarify that. The Attorney-General indicated the income from interest and trust accounts is increasing this year?

HON. R. PENNER: Yes, in fact, the anticipation, and that's all it can be at the moment, is that whereas the amount received had been fairly steady — \$1 million per annum for the last three, four years — we expect in the fiscal year which we are now into that it will be about \$1.5 million.

MR. G. MERCIER: Mr. Chairman, that's interesting, I think, because it seems to me that those who were involved for some years were concerned that the interest from the trust accounts was slowly dropping and would continue to drop, but I suppose because of the high-interest rates that's the reason for the increase in revenue from interest from the trust accounts.

Mr. Chairman, were the income guidelines raised for this coming fiscal year?

HON. R. PENNER: Yes, they were, effective April 1.

MR. G. MERCIER: Can the Attorney-General indicate by how much?

HON. R. PENNER: 11 percent.

MR. G. MERCIER: Mr. Chairman, in the Minister's introduction he referred to the increase in the hourly rate allowed to members of the private bar from \$25 to \$35 per hour which was the first increase since the introduction of Legal Aid, I believe, in 1972. Do these Estimates include any further increase in the hourly rate for members of the private bar in the coming fiscal year or in this fiscal year?

HON. R. PENNER: No, they do not.

MR. G. MERCIER: Has the Attorney-General had any discussions — I believe it's the Legal Aid Liaison Committee of the bar and the Law Society — with respect to an annual review of the hourly rate paid to lawyers?

HON. R. PENNER: No, I have not. My information is, and this is information from Minutes of the Law Society, is that the Legal Aid Liaison Committee has up until recently, in any event, been relatively inactive. I would welcome a request from the committee for discussion of mutual concerns about legal aid but none has been forthcoming. I've had very productive meetings with the Manitoba Bar. Some passing reference was made during the course of one such meeting to Legal Aid and I expected the Manitoba Bar to get back to me but the Legal Aid Liaison Committee of the Law Society has not. Yet, I've had two or three meetings with representatives from the Law Society on a number of issues, but Legal Aid was not one of the issues raised in any of those meetings.

MR. G. MERCIER: Mr. Chairman, I can only say to the Minister that at the time we negotiated the increase from \$25 per hour to \$35, the Legal Aid Liaison Committee was very active. They took, in fact, vigorous exception to the meagre increase that they were allowed in raising the figure from \$25 to \$35 per hour. We, I believe, undertook to review that rate with them on an annual basis, which seemed more appropriate to me than simply reviewing it once every eight or nine years and then putting someone in the position of having to come up with a very substantial increase, because it was a substantial increase last year having to do all of that in one year. Obviously, it would be preferable to renegotiate or rediscuss that on a much more regular basis, but if the committee hasn't pursued that with the Attorney-General then I don't criticize him. It's up to them, I would think, to follow up that matter and pursue those discussions and seek out an annual review of it with the Minister if that's what they'd like.

HON. R. PENNER: Yes, I could never bring myself to believe that the former Attorney-General gave what could possibly be described as a meagre increase.

MR. G. MERCIER: That's the way they described it.

HON. R. PENNER: Yes, I know, I'm rushing to your defence only, you'll understand, to build my own defences for future years.

I think there should be periodic reviews, whether on an annual basis or not I'm not prepared to say. Certainly I would want, in any event, before discussing the possibility of a fee increase with representatives of the private bar and I would hope that might include, in any event, representatives from the Manitoba Bar Association; I would hope that before we get to such a discussion, we will have clarified what the level of federal input is going to be and stabilized our own notion of what the interest income is going to be, because we really need these inputs in order to look overall at the level of service including the level of competency, in fact, that we are able — if I may put it

this way — to purchase, buy the level at which we pitch the fee to the private bar.

MR. G. MERCIER: Mr. Chairman, has the Attorney-General taken a position that the Federal Government should contribute to the cost of a Legal Aid Program involving divorces?

HON. R. PENNER: Yes I have, quite strongly, and I would continue to support that position. I think, in a way, the current developments in family law simply underline the need for the Federal Government to contribute substantially to the civil Legal Aid Program most of which, I think approximately 80 percent, sometimes a little more, sometimes a little less of the activity generated on the civil side in Legal Aid is in family law and a considerable portion of that is divorce; divorce, of course, is generated by legislation which is strictly within federal jurisdiction. This is, indeed, I think, a rationale for federal contribution to the civil side.

It's my understanding that one of the items, in fact, has been actively reviewed in the renegotiation is this concept. It's my understanding that the Federal Government is not unsympathetic to that point of view, but whether or not it will be reflected in what emanates from the Cabinet in the next four, six weeks, we'll simply have to wait and see:

MR. G. MERCIER: Well, Mr. Chairman, I don't disagree with that position.

What I always did find amazing though, in the discussions pertaining to greater federal cost-sharing of civil Legal Aid Programs relating to divorce, was that many of the same people who advocated a transfer of jurisdiction of divorce from the federal to the provincial jurisdiction were the same people who most vociferously asked for greater support from the Federal Government, including the Federal Government who were prepared to transfer that jurisdiction. So if he agrees, and I think he does agree with the position we maintained in the Constitutional discussions that divorce legislation should remain federal, I think the position that he's taken is justifiable. But if he should change his position to those of a number of other provinces and the Federal Government that divorce jurisdiction should be transferred, it's difficult to make a solid argument that Federal Government should be making a financial contribution to Legal Aid in an area that would be totally within the provincial jurisdiction.

HON. R. PENNER: Simply for the record, I strongly support the position which was developed by the former Attorney-General with respect to divorce jurisdiction in terms of substantive law, and it's my understanding that there's some perceptible shift on the part of some provinces towards the Manitoba position.

MR. G. MERCIER: Mr. Chairman, on another matter, there has been apparently a federal-provincial study in British Columbia dealing with the issue of public defender versus fee-for-service in legal aid systems. The report I'm looking at indicates that the study comes out with ammunition for both sides of the issue, but arrives at one conclusion — that the public

defender route would save B.C. about \$6 million a year. I'm not advocating that particular position, but I wonder if the Attorney-General is considering any change along that line or is considering that report.

HON. R. PENNER: I have received the full report within the last couple of months; I've not had time to study it. I have proposed, in fact, to take a look at it and discuss it with officials in Legal Aid over the next number of months. This is not to say, I want to be careful here, that it is the present intention, my present intention, the intention of the department, to institute a public defender system in any form — the modified B.C. or actually Vancouver, I believe it was at Burnaby where the study took place — without a thorough study of the report and of the criticisms of the report.

It might be the case, and again this is hypothetical, that if we were to look at a public defender system we might do so only on an experimental basis to begin with. I believe that it is arguable that local circumstances may affect the viability of such a system; it may be one thing in Burnaby or in Toronto, Montreal, and another thing in Winnipeg. But it's an option which we certainly are leaving open, have not at all foreclosed that option, but I'm not rushing into a public defender system without a very thorough study of the B.C. Report.

MR. G. MERCIER: Mr. Chairman, the Attorney-General has just distributed in the House a bill that would amend The Legal Aid Act. I don't know whether he's prepared to discuss that or the principles behind the amendments at this particular stage, but I wonder if he would care to comment on the rationale for those amendments.

HON. R. PENNER: I haven't got a copy of the bill with me, Bill 23, but really there is only one substantive change, as I recollect it, the concept of introducing some amendments where it was built around that one substantial change, and that had to do with some uncertainty felt by the Board of Legal Aid, the previous Board, as to whether or not the statute gave a statutory basis for granting certificates to groups who might want to represent a low-income poverty law type interest or a consumer interest. It had been the practice over the years to issue such certificates, not in large numbers, but on a selected basis. But as I understand it, the previous Chairman and the Board — I'm not sure formally or not — expressed some doubt as to whether or not that could be done. Being aware of that doubt, even though the practice had been to issue such certificates, the amendment is designed to give the Board the authority to do so in its discretion under certain defined circumstances. So that's what the principal point of the amendments is.

MR. G. MERCIER: Mr. Chairman, what criteria should govern the Board's discretion in that case?

HON. R. PENNER: Do you have a copy of the bill with you? The bill attempts to give the Board fairly wide discretion and sets out two areas where such certificates might be granted having to do with consumer interests and I'm not sure if the term poverty law,

environmental law, consumer interests are both mentioned.

The criteria that I would expect the Board to use would be, first of all, to take a look at the group represented, whether or not it is genuinely in the main a low-income group. The Board should not require that every member of the group be individually eligible for Legal Aid. By doing that, you might easily foreclose the group from gaining a certificate if one member, two members, would individually not qualify. But substantially, the group should be a low-income group in which, in the Board's opinion, it is in the public interest to grant a certificate for that group to be represented in advocating a position on such things as utility rates or things of that kind before an administrative tribunal or commission or in court, if the need arises.

MR. G. MERCIER: Mr. Chairman, the Attorney-General has referred to a wide discretion by the Board, and that would appear to be the case from my brief reading of the Bill that was distributed. The Board will be, I think, from time to time placed in a difficult situation. It's one thing for Legal Aid to issue a certificate to someone who comes in with a criminal charge, or someone who comes in with obvious rights to pursue a separation or divorce, or is faced with an application under The Family Maintenance Act, or a petition for divorce, or faced with a criminal charge. There is a specific issue to deal with. In the type of certificate that the Attorney-General is referring to now; it can be much broader issues, obviously, involved in the application for a certificate to the Board. I ask this question: Is there a danger that the Board may, in some instances, not issue a certificate to a group if they disagree with the objectives of that group?

To cite an example: The Board, I believe, issued a certificate to Sister MacNamara's group in opposing the Sherbrook-McGregor Overpass. There was another group on the other side of the tracks who were in favour of the construction of the Sherbrook-McGregor Overpass and who felt just as strongly, I suppose, as the Sister MacNamara's group. Now, I'm not sure whether that group, in fact, applied for a Legal Aid certificate to represent them — and I'm not, at this stage, arguing for or against the Sherbrook-McGregor Overpass, I'm trying to use it as an example — but there might very well in that instance arise a situation where the majority of the Board supported, say, Sister MacNamara's group, and as a result refused to issue a Legal Aid certificate to the other group in favour of the construction. I don't know how much money was spent under that certificate by Legal Aid; perhaps the Attorney-General might have those figures available through his staff. It would be interesting to know what amount that was because it would be an example of showing how, if an arbitrary decision was made against the group in support of the Sherbrook-McGregor Overpass, how the public purse could be used to a significant degree to the advantage of one group that the Board wanted to support.

HON. R. PENNER: There is potentially that kind of a problem; I wouldn't see it as a danger. The sections of the Act which deal with eligibility or the proposed amendments which deal with eligibility, set out crite-

ria as to the kind of issue in 3.1(2) and set out criteria in terms of financial eligibility on the third page at 10.1(2). I think that the Board would have to exercise judgment within the parameters of the statute. In the case mentioned as an example, the group, that is the group headed by Sister MacNamara, the Rossbrook group, I guess, the services of a staff lawyer were used.

Now that doesn't mean there wasn't a cost to the public purse; there was the time of that staff lawyer involved in preparation and involved in appearances before the hearing. The costs were not vast; they represented some days of the time of one staff lawyer. The Board made a judgment call as the Board does when it deals with individuals — I'll come back to that in a moment — but the Board in the case referred to on the Sherbrook-McGregor Overpass made a judgment call that the group which applied for and was granted representation much more genuinely involved a poverty law group than did the other group. Now whether the Board was right in that judgment is something I'm not able to say.

Let me continue with the point I made parenthetically a moment ago — the Board is often in this position, that is, an area director receiving an application for Legal Aid may turn down that application and many of these applications are turned down every week, every month. Persons who have been refused an application may appeal and often do appeal; it comes before the Board; I read the minutes of the Board and, of course, I was a member of the Board for many years and am familiar with the process. The Board must exercise its judgment, sitting as an appellate body, as to whether or not the decision of the area director should be overturned. In many instances, the decision of the area director is overturned.

What this indicates to me, and indicated to me in practice and not just theoretically, is that in many of these areas it's not black or white, that it is difficult to decide whether an individual falls within or without the eligibility guidelines and on borderline cases the benefit of the doubt might be given in favour of granting a certificate. So too with a group, which will now, because there were not guidelines before, now there are statutory guidelines, so that there are some parameters within which the Board must exercise its discretion. The Board will have to make a decision based on established guidelines and there is much less chance of arbitrariness than if we simply followed what had been the practice before, of just leaving it in an undefined way to the complete discretion of the Board.

MR. MERCIER: Well, Mr. Chairman, the previous guidelines may have been very uncertain, but I think the Attorney-General would have to agree that this particular statute is also very broad. As I've indicated, it's clear that if an individual applies for a Legal Aid certificate he's within the guidelines; he's charged with an indictable offence; he virtually has a right to Legal Aid certificate. Under this legislation, 3.1(2) indicates the society may furnish legal aid to a group, under subsection (1): "In any matter, that in the opinion of the society, involves an objective or interest common to the members of the group and relating to an issue of public concern, including without restrict-

ing the generality of the foregoing, any consumer or environmental issue." So, if there was broad discretion before, there still is under this section a very broad discretion by the Board as to whether or not a certificate will be issued, and the Section 10.(1)(2) is helpful to a certain extent but certainly is not that limiting. There is a danger, if the Board decides that they do not share the objective or interest of the group, that they will not issue a certificate to one group while they may issue a certificate to another group involved in the other side of the question at issue.

There was something else. Well, 10.(1)(2) refers to the absolute discretion of the society to determine, etc., whether the question of incomes and sufficient funds to pay legal costs. I'm wondering whether or not there could be some more specific criteria included in this legislation because the Attorney-General is really asking the Legislature to allow the Board to proceed in their absolute discretion, to quote the wording of the Act.

HON. R. PENNER: Right. First of all, the Act now and the regulations as it concerns the granting of legal aid to individuals, contains — and here I'm looking at the regulations — language as follows: 18.(2) of the Regulations: "Subject to the discretion of the Area Director," not even the Board, one person, "a certificate may be issued to a person otherwise entitled thereto," and then it sets out criteria. So one would expect, whenever discretion is given either to a judicial body or a quasi-judicial body, that it must exercise its discretion within the context of the criteria set forth.

Then there's an appeal to the Executive Director in 18.(5) of the regulation, "Where, in the opinion of the Executive Director," which is again discretionary, and there is language of that kind throughout the regulations.

Now, if I may go back to the example that was used to illustrate what the member believed may be a danger, there was an instance in which there were no criteria, at least no statutory of criteria, and the previous Board, not this Board, turned down one group and granted to another. My argument is this, that it's much easier for a Board so minded in a sense, influenced by external criteria, political bias, to operate in that way if there are no statutory criteria at all. So what we're really coming down to is, I believe the argument can be made and I think it would be accepted by the member, that if we are to issue certificates to groups, and I'm assuming that there's an agreement on that premise, then there should be statutory criteria to limit the discretion. You can't eliminate discretion in such areas; life is too complex, but to limit it, now what should the criteria be which limit the discretion of the Board?

I'm perfectly open to suggestions that may be made in the House and in Committee as this bill is debated to any suggestion that might be made for sharpening the expression of the criteria. I want to indicate right now that I'm open to such suggestions. I'll just use this as an example, the member emphasized by tone the word, "absolute," in 10.1(2) "absolute discretion." Quite frankly, looking at it now, the word in my view, is unnecessary and can well go out. It might be inter-

preted as giving a Board too wide a discretion. Discretion, I think, is discretion and the word "absolute" plays no useful role; it should go out, and that discretion would then be limited by (a) and (b) and maybe in the course of debate, as I said, either in the House or in Committee, that we can find some way of sharpening the language.

MR. G. MERCIER: Mr. Chairman, what would the Attorney-General's view be then, using that example of the Sherbrook-McGregor Overpass? Does he believe that with this legislation a certificate would be granted to the group in favour of the construction, as well as the group opposing the construction?

HON. R. PENNER: I don't see why not if both meet the criteria. Now, Nova Scotia operates a complete staff-lawyer system, or did — I don't know if it's changed — it's still a complete staff-lawyer system, and it took the view which I found strange, that if it appointed one of its staff-lawyer to represent, let's say, the husband in a matrimonial dispute, it would not grant a certificate to a staff-lawyer to represent the wife, assuming some kind of conflict of interest which I never really thought was there.

My own position would be, were I a member of the Board and if groups on both sides came forward and met the criteria, that both should get a certificate. It might be, in that case, that the certificate would go to a staff-lawyer, or if a certificate went to a staff-lawyer, then the other certificate would go to a member of the private bar to lessen any chance of internal conflict of interest. That might be the way to resolve that problem.

But basically the position I take, and I expressed that in some public utterances of mine since assuming office, that if rights in society are to mean anything, then there must be the right of advocacy to go with it and where, for reasons of low income, an individual or a group cannot properly advocate its interest to give expression to rights which it has, either common law or by statute, then in fact it doesn't have that right.

MR. G. MERCIER: Mr. Chairman, I appreciate the Attorney-General answering these questions now and I promised him I won't raise these matters again and duplicate the time spent.

In looking at Section 10.1(2), in the references there to the ability of the group to pay legal costs, is the reference there to the income guidelines established by Legal Aid? I want to just use this example again in order to fully explain the question. Let's assume that the group opposing the construction of the Sherbrook-McGregor Overpass all fell within the income guidelines established by Legal Aid. But let's suppose the group in favour of the construction on the other side of the bridge were not wealthy, but let's call them the working poor, the middle class, their incomes are above the guidelines, but their incomes are all going to fixed costs for their mortgage, their food, etc., and I hope the Attorney-General realizes what I'm trying to get at. If the income guidelines are used and the group proposing the construction get a certificate, but the group on the other side are not granted a certificate but they're above the guidelines, but really, while they're over those guidelines — and I call them the middle class or the working poor — and their

monies are all going to a fixed budget, if they don't get a certificate at the same time, there will also be a hardship imposed upon them if — let's say as in the Sherbrook-McGregor Overpass — they were to get involved in representations before Committees of Council, before Council, before the Federal Courts, before Committees of the Legislature or whatever, I wonder if the Attorney-General could indicate or could answer that concern that I have.

HON. R. PENNER: I think I can answer it in two ways.

One is, Section 3.1 (3) of the proposed amendments says that "the society may furnish Legal Aid to a group under subsection (1) without charge or with a parcel charge," so that where you are dealing with group (b) which compared to group (a) is somewhat higher in the income scale, the Board might still determine that it is eligible for a certificate with some contribution towards the cost.

The second approach that I would take, although more difficult to operate with a group admittedly than with an individual — we used to take this approach in listening to appeals that came before the Board when I was a member — that if in fact the anticipated cost — and it could only be a guess — of the Legal Aid paid by the group would in effect require such contributions from the members that it would adversely affect their income levels judged against the criteria, that would be an instance for granting the certificate.

MR. G. MERCIER: Mr. Chairman, my last comment on this subject is to just indicate to the Attorney-General that he can expect, I believe, the former Member for Inkster to appear at Law Amendments Committee opposing this Bill.

HON. R. PENNER: Let joy be unconfined.

MR. CHAIRMAN: 9.(a) — the Member for Virden.

MR. H. GRAHAM: Mr. Chairman, when we're dealing with the general field of Legal Aid and its application and use throughout the province, I would like to ask the Attorney-General if there is any statistical information available regarding the percentage of cases heard in the various jurisdictions in which Legal Aid was used or — in other words, I want to know if there was certain areas of the province where it was used to far greater extent than in other areas?

HON. R. PENNER: I will provide that information tomorrow. I regret I don't have the last Annual Report with me, but the last Annual Report gives a breakdown by court and by judicial district. The information which is available in the Annual Report shows the number of Legal Aid cases by court, but does not show what percentage of the total cases in that court were Legal Aid, but there's a rule of thumb which may be safely used when looking at criminal statistics and that is that the number of Legal Aid certificates granted will represent something well in excess of 80 percent of all criminal cases heard in a given court will be represented where there's representation, that representation will be through a Legal Aid certificate.

MR. H. GRAHAM: A second general question and it

deals again with a rough percentage in the Appeal Court. Is there any significant drop in the Appeal Court in the use of Legal Aid there or does it rise?

HON. R. PENNER: You mean in terms of the percentage of cases heard in the . . .

MR. H. GRAHAM: Yes.

HON. R. PENNER: No, it drops. That is, the percentage of cases heard in the Appeal Court, the number represented by Legal Aid certificates is a small percentage of the total heard in the appellate courts.

MR. H. GRAHAM: I think it would be interesting to have those percentage figures where Legal Aid is — the percentage of the cases in the lower courts and the percentage in the Appeal Court.

HON. R. PENNER: I'll attempt to get them, Mr. Graham, but I can't really undertake that I will. It's difficult to break out those statistics because they're not reported quite in that way. What we would have to do is — let's say, take the Manitoba Court of Appeal — get the figure of criminal appeals, probably to use that as a criteria, heard and see if we can relate that in any given year to the number of certificates given for an appeal in the Court of Appeal. We'll try to get those figures on that basis. Would that be sufficient if I broke out the figures in that way?

MR. H. GRAHAM: That's quite fine. There's a reason that I have in my own mind. I have wrestled with the question of Legal Aid for quite some years.

HON. R. PENNER: Yes, I recall your interest.

MR. H. GRAHAM: And I have always felt that the state probably, if in its collective wisdom, it decides to provide legal assistance to underprivileged members of society in getting their case heard before the courts, I accept that. But having once had a decision of the court, whether or not the state has the same obligation to carry that further in an appeal against that decision is, I think, a separate question and one that I think that we in society have not really dealt with properly. If we had unlimited money, there would be no problem, but we do have — all of us face a problem of increasingly difficult times to adequately finance the programs that we do put in place and our funds are not unlimited. Where do you draw the line at the point where you say, I'm sorry, we can no longer assist you, our funds are limited and this is as far as we can go or we can go this much further. Where do you draw that line? At the point where you can say, I'm sorry, we have done all that we can in this field, or is it unlimited? Is finance purely the only criteria in awarding legal benefit where you can go as far as the highest court of the land?

HON. R. PENNER: I believe I may satisfy the concern raised by the Member for Virden by telling him I've just confirmed that is still the practice.

Before a certificate is granted for an appeal, the person issuing the certificate and the Board must be satisfied that there is a reasonable chance for suc-

cess. That is, the appeal is based on substantial grounds; exclude out of hand anything that's frivolous or vexatious and indeed, if any error at all is made in judgment, it's made against the granting of a certificate on appeal. Whereas, it's the other way with the granting of a certificate prior to appeal, that is in the trial court, so that the issuer of the certificate must be satisfied that there is a reasonable chance for success on appeal.

MR. H. GRAHAM: I have two questions yet. Perhaps the Attorney-General could give us some information where an appeal is launched. In what percentage of cases is the same lawyer involved in the appeal hearings of the individual?

HON. R. PENNER: It's almost always the same lawyer.

MR. H. GRAHAM: Well, that probably causes me some more concern. That's it.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I wonder if the Attorney-General can give any estimates of the additional cost to Legal Aid as a result of the right to counsel provisions of The Young Offenders Act in the Charter of Rights? I appreciate it would have to be a ballpark figure but there must be a figure that's been developed particularly with the negotiations with the Federal Government on The Young Offenders Act and whether or not there will be any federal cost sharing.

HON. R. PENNER: One can only estimate at this stage, but looking at the dark side of things — and maybe that's the safest thing to do — it may be the additional cost of representing young persons in conflict with the law under The Young Offenders Act to the Legal Aid system because of the requirement for representation in The Young Offenders Act may be anywhere between \$750,000 and \$1 million a year.

In addition, there will be a cost impact on our Crown Attorneys. We will undoubtedly have to have more Crown Attorneys employed in that particular court system than is presently the case.

Now as I mentioned in my opening statement, there is an undertaking in general from the Federal Government through the Solicitor General to meet the costs occasioned by the enactment of The Young Offenders Act. It is our view that their responsibility should be to meet all of the costs. Let us hope that in fact they accept that responsibility

MR. G. MERCIER: Just related to that. In the plans for the development of the new Law Courts facility, is the Attorney-General committed to the plan to the extent of transferring the Juvenile Family Courts to the Courthouse on Broadway when construction of the new facility is completed and Provincial Judges' Court moves into the new facility?

HON. R. PENNER: Yes.

MR. CHAIRMAN: 9.(a)—pass; 9.(b)—pass.

Resolution No. 26 — Resolved that there be granted to Her Majesty a sum not exceeding \$5,828,500 for

Attorney-General, Canada-Manitoba Legal Aid, for the fiscal year ending the 31st Day of March 1983—pass.

No. 10. Personal Property Security Registry, 10.(a) Salaries — the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I just wanted to look at the sheet that the Attorney-General kindly supplied me with respect to revenue. The estimated revenue this year is \$1,200,000 against operating expenses of \$890,000.00.

HON. R. PENNER: Right.

MR. G. MERCIER: Would that you could only operate all your departments?

HON. R. PENNER: Yes, it's a tribute to Mr. Sinnott, among others.

MR. CHAIRMAN: 10.(a)—pass; 10.(b)—pass.

Resolution No. 27 — Resolved that there be granted to Her Majesty a sum not exceeding \$890,700 for Attorney-General, Personal Property Security Registry, for the fiscal year ending the 31st Day of March 1983—pass.

HON. R. PENNER: Committee rise. We'll do that tomorrow.

MR. CHAIRMAN: Committee rise.

SUPPLY — EDUCATION

MR. CHAIRMAN, J. Storie: The Committee will come to order. I believe we're beginning with Item No. 6. Universities Grants Commission, Resolution 54. Item No. 6.(a) Salaries.

The Member for Fort Garry.

MR. L. SHERMAN: Thank you, Mr. Chairman. I'd like to ask the Minister to describe for the committee, if she would, the situation with respect to the whole program of physical education as it affects the University of Manitoba and the University of Winnipeg. As she is well aware, there has been some considerable interest expressed in recent years by various personnel at the University of Winnipeg in getting into a full scale physical education program which would presumably produce Bachelors of Phys Ed for the school system, college system, community club system and the community generally.

Recently an announcement with respect to a multi-million dollar grant for the University of Winnipeg was made, pegged to the ultimate construction and establishment of a field house for the University of Winnipeg which has also been legitimately part and parcel of that institution's ambitions. But, Mr. Chairman, speaking as one who represents an area of the province in which the University of Manitoba is located and having some considerable familiarity with the School of Phys Ed at the University of Manitoba and also appealing to the Minister and the department to look at the subject from the perspective of cost efficiency, value for dollars spent and the whole undesirability of duplication and redundancy, I would ask her

where the department and the Universities Grants Commission stand vis-a-vis the professional discipline of physical education training and physical education schools in our post-secondary institutions in Manitoba?

The University of Manitoba has over the years developed a fine facility for the training of Phys Ed professionals. It has established a considerable reputation in that field. The leaders of the school, persons like Dr. Henry Janzen, Professor Jim Daley, to name just two and there are many others, have brought considerable commitment, insight and talent to the development of that School of Physical Education at the University of Manitoba as a major institution of professional training not only for this province, but for Western Canada.

They tell me, Mr. Chairman, that they could graduate 375 Phys Ed professionals a year if that many were needed. The fact of the matter is that the field is highly competitive and like many other fields today is perhaps almost filled to the brim or near to the brim. It is imprudent and unwise to expand on programs that would produce a surplus of Phys Ed grads who would find themselves in a market for which there was no opportunity for them to utilize their training and their talents — in short, a market which offered them no jobs, no professional opportunities.

If the intention of the department, the Universities Grants Commissions and those connected with the University of Winnipeg and its expansion in the athletic area, is the intention of developing a new school of physical education at the University of Winnipeg then I, for one, and a great many other Manitobans, I'm sure, Mr. Chairman, would want to question that. I think that it's important that there be some clarification of that issue and that question at the present time because I can assure the Minister — I'm sure I'm not telling her anything she doesn't already know — but I can then remind the Minister that a great many persons are concerned about this question. The University of Manitoba is concerned about it, the friends of the University of Manitoba are concerned about it, the Alumni of the University of Manitoba are concerned about it and I think the taxpayers of Manitoba are concerned about it.

MR. CHAIRMAN: The Honourable Minister.

HON. M. HEMPHILL: Mr. Chairman, I think I'd like to make a number of comments related to the questions raised by the member opposite. First of all, in this budget year when we were faced with the questions of capital projects and the requests, we had a proposal and considered priority proposals for each of the three universities. In other words, it seemed reasonable to feel that since there had not been capital construction at the universities for a period of time that it would be very difficult and perhaps not fair to give approval for expansion of one or two universities and not for all three.

So the first effort, I think, was made to look at the requests that were on our plate and to consider what were the priority capital projects as communicated by the universities themselves. So that in this year, as a result of that deliberation, we have approved money for the field house for the University of Winnipeg, the

Earth Sciences Building for the University of Manitoba and the Brandon University construction for the Brandon University. I'll go into that in detail perhaps a little bit down the line.

I quite agree, I think, with the points that the member made concerning duplication, unnecessary expenditure and duplication of programs between our universities. I must say that I've already begun discussions with the university presidents on this matter to indicate to them, and I think there is general agreement that we cannot continue to simply add on to all the universities and to have them all going after expansions in the same programs. We don't have the money, we don't have the resources and it takes away from their ability to determine a uniqueness, I think, for themselves and to expand and to really develop in those things that they can do best. So we have said that there is not going to be — that we will have discussions about where the special areas are going to be — who is going to specialize in what? Who are going to be the universities that will deliver the different programs? That makes sense in tight times and also when the universities want to excel, I think that's another point. It's not only a matter of good expenditure and control of resources, but excellence. They want to excel and if they want to, they can't just grow like Topsy and cover the ball park. It is clear, I think, that they are doing this in the humanities, in music, in establishing themselves as the University of Winnipeg, as the university of the urban centres serving the surrounding inner city community.

So, (1), we want to avoid duplication. I do not have, nor did we have, any intention to communicate or to suggest that the approval for the Field House was an indication that we agreed to or were supportive of making a statement that the University of Winnipeg was going to become, also, a place where there would be a new school for physical education. As a matter of fact, it gives me an opportunity to tell the members opposite what some of the background was in looking at this facility and some of the reasons for it, which are not related to expansion of physical education programs, but more related to the kind of expansion that will take place in a university like Winnipeg that is centred in the inner city and where we cannot fail to recognize that any expansion there is going to have an effect on the revitalization of the inner core.

We see capital projects and capital buildings related to that University having an effect on the role and direction that the University is taking and that is to begin to open its doors not just to serve as the academic community, but to open their doors to serve the surrounding community and allow them to use the facilities and encourage them to come into the University.

I refer to information and letters that go back as far as 1972 when the first submission was made to the Universities Grants Commission where they are talking about community resources and the Field House as a downtown urban campus. "The University of Winnipeg is situated close to areas in which many people live who are close to the poverty level and who do not have the normal opportunities for recreational activity which those living in the suburbs enjoy. Under these circumstances and with the encouragement of the Department of Tourism and Recreation, the Uni-

versity is proposing a co-operative venture that would add to and enrich the life of the urban centre by providing for joint use of athletic and recreational facilities for both the University and the public."

They go on to suggest that "The possibilities and potential of such a facility has indicated that with careful time scheduling, 35-40 percent of the time usage could be made available to the general public." I don't think I need to sort of bury him in the detail of this, but I want to indicate that one of the reasons for our interest and support of this facility was its relationship to and their interest and direction towards developing it as a community university and community resource. They are presently in the process of developing the plans to be consistent with a broader community use. In other words, instead of being a major, what we might call sophisticated, physical education building that would be really be for high level competition at the university level, it is a building which will have varieties of space and multi-faceted uses that is being designed and will have a joint use agreement for the participation and use of the community. It takes on quite a different role, function and use, both for the University and for the community and the inner core surrounding it.

MR. L. SHERMAN: Thank you, Mr. Chairman. I'd like to thank the Minister for her comments. I'm pleased indeed and I'm sure that personnel connected with the University of Manitoba, and particularly the School of Physical Education at the University of Manitoba, will be very gratified to hear those comments.

In that connection, for the record, Sir, I would like to mention that among those personnel who have contributed so much to development of that school is, of course, Dr. K. Kennedy, whose name I omitted to mention a moment or two ago when I was referring to the leaders of that school. Persons like Drs. Janzen and Kennedy and Professor Daley and their colleagues have done a great deal to create that school and that capability and it would be a shame to have that presence and that capability eroded by unjustifiable duplication of a kind of service that has to compete for job placements in the marketplace today, just as any other service does.

I do thank the Minister for that reassurance. I assume that at this point in time and, hopefully, into the immediate future, at any rate, there is no intention on the part of the Minister or the Department or the Universities Grants Commission to support establishment of a competing School of Physical Education at the University of Winnipeg or at any other University in Manitoba that would compete with the existing School of Physical Education at the University of Manitoba.

Everyone wishes the University of Winnipeg well in its ambitions for its Field House and its ambitions with respect to community athletic activities. Certainly no one, least of all the University of Manitoba, is opposed to that but we do think, and we're pleased at the Minister's confirmation of the fact, that the reality in this instance is that we have got a good school at the U of M and unnecessary duplication would only diminish its role and its productivity.

MR. CHAIRMAN: The Honourable Member for

La Verendrye.

MR. R. BANMAN: Thank you, Mr. Chairman. I'd like to ask the Minister whether or not in the developing of community use of this particular facility, the amateur sports groups and the Manitoba High School Athletic Association will be consulted and will play a part in the development of this facility?

MR. CHAIRMAN: The Honourable Minister.

HON. M. HEMPHILL: Yes, Mr. Chairman, I was just looking for a recent letter that I had from the President of the University of Winnipeg and I can't find it in this massive paper flow that I have in front of me, but what I'd like to indicate is that there is going to be a body set up, both for the planning of the facility, the joint use and the continuing operation. I expect that it's going to have fairly broad representation from both interested constituent groups in the field of athletics, the University and the broader community in the target populations that will be those that will be served and using the facility.

MR. R. BANMAN: Two questions really — I wonder if the Minister has had an opportunity to review the report that was done with regard to the building of a joint use Field House facility by a group of individuals who represent not only the city, but the sporting community as a whole. One of the concerns, I guess, that I would have in the development of this facility is, will it be a track and field complex or will it be basically a gymnasium which the University of Winnipeg I think basically was after? What they are looking at right now is lacking a facility where the Wesmen can not only hold basketball and volleyball games, rather than having them in the basement where they do at the present time, but to have a facility where they could be hosting their annual tournaments such as they have over the Christmas holidays.

I'm just wondering if the Minister has had a chance to review. She will probably realize that if they're looking at a track and field facility, it would mean that there would be some major redevelopment with regard to the moving of streets, closing-off of streets to accommodate a track and field complex such as the one that was envisioned in the particular report that was brought down and one, I might add, that would serve the needs of the track and field community in Winnipeg. So I'm wondering, is that what we're looking at? Is this supposed to take the place of a track and field complex for the amateur athlete in the Province of Manitoba?

HON. M. HEMPHILL: Mr. Chairman, well, the existing plans are in the process of being revised right now. In other words, the Board of Governors has been recently looking at the plans that were developed quite a number of years ago to see how useful they are or how they fit into the idea of joint community use and there may be some changes. They're in the process of looking at what changes will be made and I'm not sure what they are, but I think that it is mainly a large gymnasium with some running track but not what you might consider a major track and field complex for major provincial track and field activity.

MR. R. BANMAN: Well, Mr. Chairman, I guess the Minister has encountered the same difficulties we had in trying to develop a facility which would be not only a public use facility and accommodate some of the amateur sports groups but also meet some of the needs of the University of Winnipeg. I guess one of the reasons that we were examining that particular avenue is that the costs of developing a facility such as this to have it a top notch facility is a real burden on the taxpayers.

I guess what I have to say to the Minister and I have to repeat myself somewhat along the lines that I did in the Department of Recreation Estimates — one of the problems we've had in Manitoba and aside from any political stripe or political affiliation of the government in power, one of the problems that we've had is joint use facilities, period — whether it be with the universities, with schools in local communities, whatever. For some reason, many of the facilities that we have are excellent facilities but when they come under the ownership of i.e., a school board or in this particular case, a university, I have to suggest to the Minister that the track record — if I can use that in this particular instance — is not a good one.

I would say to the Minister that if she is looking at a complex, which will be gymnasium oriented, it really won't fit the needs of the Manitoba track and field people and I question very much the availability that particular facility is going to have with regard to groups that are outside the university concept.

One has to look at what happened in Saskatoon when the city got together with the university and I know they've had their run-ins with regard to prime time usage and things like that, but I think what you're going to find out is that the university over the next few years even though they enter the shared concept idea will, I anticipate within the next two years, show very clearly how they can use all the time and really that they want to control who's in and who's out.

So having said that, I just wanted to get it on the record that this is not the facility that will meet the needs of the amateur athlete in the province and that is a field we're going to have to explore through another method then, but I just say this — I would like to see more joint usage of many of these facilities but unfortunately for some reason, we just can't get that going.

HON. M. HEMPHILL: Mr. Chairman, I agree with the concerns about some of the potential problems of joint use agreements between a university and a community even with the best of intentions. I think there may be a difference though if it's designed ahead of time and if the joint use agreement prior to beginning and building the project spells out that there will be time made available and it is not just whatever time is left over, you know, at three o'clock in the morning when the university doesn't need it.

One of the prerequisites will be that there be built-in an understood and agreed to time for the community. This does not replace — I know there's been a proposal for a major track and field facility for the city. I think it's Warren Steen's Committee studied that — and this does not say that this is going to meet those needs nor that there still isn't a need that is not probably going to be addressed by this facility. They may feel that is still

a high priority, decide where it should go and what avenue they're going to take to explore the possibilities of getting that kind of facility for the province. I don't think it's intended to serve that use through the facility that's going into the University of Winnipeg.

MR. CHAIRMAN: The Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, I wonder if I could ask the Minister, I know that certainly students and members of the university community and I'm sure a great many members of the public were pleased at her announcement of the freeze on tuition fees at the universities for this year. I'm sure they weren't as pleased to know that, particularly at the University of Manitoba, the amount of the payroll tax is going to eat up the amount that was granted in addition to the additional amount that was granted to freeze the fees.

I wonder if the Minister could indicate if she has any future plans that would say how long those fees would remain frozen? Is this a one-year freeze or is this intended to go on indefinitely or does the Minister, like the Hydro rate freeze, feel that it can be imposed for five years? What is the Minister's position on that?

HON. M. HEMPHILL: Mr. Chairman, when we made our decisions this year, we made all of the decisions related to what we believed were the needs and the requirements of the universities at this time for this budget year. That determined the position that we took on the student fees and I would expect that we would reconsider the situation, the needs and the requirements of the universities and the available money in each subsequent year.

MR. G. FILMON: Well, Mr. Chairman, is the Minister indicating then that she has no position on the freeze for the future, that it was indeed a one-year effort and that there is no plan to continue the freeze for any period of time? If the Minister does not want to indicate that, perhaps I could lead her into a discussion about what percentage of the costs of the — (Interjection) — perhaps the Member for Ellice would like to tell us what the universities have decided.

Well, my understanding is that the freeze was imposed in return for an additional amount of money being placed in the Universities Grants Commission budget for the purpose of the freeze and that if the tuition fees had not been frozen, then the universities would not have received that portion of money and perhaps the Minister could clarify that, because there seems to be an alternate opinion being offered by the Member for Ellice.

HON. M. HEMPHILL: A portion of what the member was saying — he's going to get me a hearing aid at the end of these Estimates I think — (Interjection) — Yes, or speak louder.

Would you just repeat the question? We don't get all the . . .

MR. G. FILMON: I'm not sure of the mechanics of the tuition rate freeze which was imposed this year at the universities in Manitoba, but my understanding of the mechanics — and I've read various articles and news releases on it — was that an additional amount of

money over and above that which would normally have been given to the universities was placed before them on the condition that they agreed to freeze their fees. If they had not agreed to freeze their fees, that additional amount of money would not have been made available to them. Is that the position?

HON. M. HEMPHILL: Mr. Chairman, when we looked at the needs of the universities this year, what we did and what we communicated to them is that we were giving them what we believed was a significant amount of money and a significant percentage increase to meet the needs that they had, plus recognizing the amount that they would have received had they raised the tuition fees. We believe that the total package they were given would allow them to cover their needs and meet the requirements of the universities without the necessity of raising tuition fees. We communicated our feelings, our beliefs about the amount of the money that had been made available to them and its ability to give them the ability to expand programs, to upgrade facilities and equipment and build new capital projects without requiring a tuition fee increase.

MR. G. FILMON: Well, does the Minister believe that her government will attempt to freeze the fees for a further length of time then, given what she knows about the universities' funding at the present time?

HON. M. HEMPHILL: Mr. Chairman, I'm sure that the Member for Tuxedo will probably agree with me, or understand at least if he doesn't agree, when I say that with the negotiations that are still under way between ourselves and the Federal Government and some reasonable degree of uncertainty about the level of funding that we and other provinces will be receiving in the future, it is very difficult to know how any government or how any province is going to have to respond to meet the important continuing requirements of our post-secondary institutions. So that I think at this point — when we made the decision last year, we knew that there were potential decreases in funding down the road, but they did not affect us this year. The funds coming from the Federal Government were known and were maintained at the same level, so we were able to make our decision on a known factor.

We will have to make the decisions in the next year, I think, based on a lot more information that we do not have at the present time. So at this time, I think we're not in a position to know how we're either going to feel or how we're going to have to handle and how we can best meet the needs in the future years for the universities.

MR. G. FILMON: Well, there's a couple of things that fall into that discussion. One is that presumably, the Federal Government has given an indication of what the province can expect for the forthcoming years. As well, the province has moved to supplement what it considers to be a shortfall in that funding by the levy of a health and post-secondary education tax on pay-rolls in the province. So, indeed, the province is taking into its own hands the responsibility for raising these additional funds, apparently by its action through the budget process. So given the fact that the province has established its ability and its desire to be respon-

sible for this additional funding, perhaps the Minister can have some more definitive thing to say on the matter.

HON. M. HEMPHILL: Mr. Chairman, no I don't believe that it is clear exactly what the shortfall is going to be. We do know that there is going to be a shortfall. The negotiations are not yet completed or finalized. There is still some potential possibility of the existing agreements continuing for some period of time providing the provinces agree to a number of factors or a number of principles that the Federal Government is putting forward, some of which are acceptable to us, Mr. Chairman, and some of which are not acceptable to us. I have no quarrel with some of the things that they are saying and I think that of their three conditions, the question of matching federal funding of post-secondary institutions for the next two years is not really unreasonable, that we will meet their level, but that the province agree to, in principle, let national goals govern their universities and colleges does not really seem reasonable to me.

The other points that they are making is that they want more accountability; they want visibility; they want accessibility and they want mobility. I don't have any quarrel with any of those. I do not, as some provinces do, take the position that any questioning about post-secondary education is interference. I do not believe that telling people what you are doing is the same as being told what to do, so I don't have any problems with accountability or accounting and indicating what we are doing with money that is given to us. I am concerned about being dictated the goals and the Federal Government's needs of superseding the ones of the — and the authority existing in the provinces.

So negotiations are still going on; we know there is going to be a shortfall. We know that education and health are the two big areas of cost, that they continue to be important for both the care and the development of our human resources and we are going to continue to support programs in that area and that we're going to need to find ways to do it — having some sharing by the people of Manitoba to support the continuance of those programs and getting some recovery from the Federal Government was one way. I don't think we're predetermining that we know how much the cutbacks are going to be and that's information we're going to have to know before we know what the provincial resources are next year, what money we can give out to universities and all other educational and health care institutions.

MR. G. FILMON: I wonder then if the Minister could indicate, I believe that at the present time something like 12.2 percent — the tuition fees that the students pay accounts for 12.2 percent of the total funding of universities in Manitoba. When I was a student, it was somewhere in the range of 25 to 30 percent, I believe, and that probably dates me. The Minister can judge what era that comes from, but there has obviously been a slippage over the period of time between that portion of the total costs of universities that have been paid by students. Does the Minister have a feeling as to what level is a reasonable level that tuition fees should be as a percentage of the total costs of

the university?

HON. M. HEMPHILL: Mr. Chairman, I don't have the magic figure in my head but I do have some feelings about the question of tuition fees, tuition fee increases and the relationship I see between that and access to post-secondary institutions and universities for the people of Manitoba.

There has been a tremendous change in the last few years in the target populations and in who the people are that are attending universities and they are no longer the bastions or the institutions of the elite or the upper class or the rich. They have been, you might say, almost taken over or at least the beginnings of taking over or using these institutions by many adult mature ordinary working people of Manitoba.

To give you an example, in the University of Manitoba, which has a little over 12,000 full-time undergraduate students, 904 of them are 30 years of age or older, over 1,000 are between 26 and 29 and their part-time students number nearly 6,000. They've got 12,000 full-time students and 6,000 part-time students and these part-time students are single mothers. They're adults who didn't have an opportunity in the first go-around to take post-secondary education. They're working people who are trying to improve their potential and their opportunities by taking courses over a long period of time to upgrade themselves.

Nearly 3,000 of the full-time students are from the rural area, which is an improvement in the numbers coming from the country and 8,000 to 9,000 students are in noncredit courses. Fifty-six percent of the incoming students are coming from families where the father has no greater than a high school education and 41 percent from families where the father did not complete high school. There are about 300 Native students enrolled. Off-campus credit courses are offered to 1,600 students in rural and northern locations including Stony Mountain Penitentiary.

I really believe that's a long way of going around to tell you that I do believe that the amounts of tuition fees do have an effect on the ability of ordinary people to have access to the university. The two ways we go about opening up the institutions for everybody are through our Student Aid Program which is addressing itself to those people who need help and the costs for living, tuition and books that are required by those people going to the universities, so I do see it as an important issue, although I don't have a number that is a magic number.

MR. G. FILMON: I appreciate the Minister covering that ground. I am familiar with the changing demographics, the changing client groups at post-secondary educational institutions throughout the province both as a former administrator of a post-secondary educational institution myself, as a past president of the Alumni Association of the university and as a former member of Senate. So I'm aware of all the changes that have been taking place, but to single in on the tuition fees and to ignore the effects, which the Minister hasn't, of student aid I think would be wrong. So if the government has at its disposal both the power to change regulations, amounts and accessibility to student aid as well as the power now to

regulate tuition fees by virtue of its funding to the university, surely it's within the Minister's control to make those decisions and therefore the decision should be based on some rationale. I wonder what rationale the decision to freeze the tuition fees at the university was based on from the Minister's viewpoint, if she doesn't have a feeling for what's a reasonable percentage that the student should be paying of the total costs of their university funding.

HON. HEMPHILL: Mr. Chairman, in terms of rationale, I think we all recognize that we cannot always do everything that we want to do. When we came into this term of office, we were faced with existing budgets and we had to make some decisions on what we were going to let go ahead and what changes were going to be made.

I think that he also recognizes that resources are limited and in terms of looking at the whole package, I believe that the changes we made in student aid, I believe there was logic and rational thought given to it as a total package. We did look at all aspects and made either improvements, which I would call them, or some changes and some that had already been made and existed in the budget that was there to meet what we thought were the greatest needs. That included beefing up and making sure that the Student Aid Program had increases in the social allowances so that they kept pace with the cost of living, gave additional help to the farming community so that the rural people would have better access and address itself to giving reasonably good — what I think was quite good support in total to the universities to meet their requirements and that did not freeze tuition fees, but we believe it gave them adequate financial resources so that it would not be required.

MR. G. FILMON: Does the Minister have any figures that would compare what it would have cost simply to enhance student aid to achieve the kind of improved accessibility rather than freeze tuition fees? Would it have been less expensive to go one way or to go the other to achieve the same end?

HON. M. HEMPHILL: I think there might be a reason. That really was not considered. One of the major deficiencies of the Student Aid Program is that there is presently no student aid for part-time students. You can see from the figures that I gave you at both universities — I've got it here for Manitoba, 13,000 full-time students and 12,621 part-time students.

So that means, at that university, that half of the students that are there are part-time students and have no access to student aid. I think that in the previous government, when I took office, that was identified as a major hole. In terms of weaknesses, that was the area that people told us and I believe is the one that we have to move on next, is giving some support to part-time students because there's obviously a great demand and a great need in this area. So that to have just beefed up the Student Aid Program would really not have given any support to many of the students who are part-time working people where tuition fees increases can make — on top of everything else, it's the combination of the increased costs of all of these things that hit us, isn't it? It isn't just one of them. We

can't control them all. I think that the Student Aid Program, focusing on it totally, would not have given sort of help to that large number of part-time people who are seriously affected by what some people might consider to be minor increased costs but to them are not.

MR. G. FILMON: Well then, could the availability of student aid have been expanded to part-time students?

HON. M. HEMPHILL: It could not in this budget year, Mr. Chairman, because of the money that was available to reallocate. My recollection is we had something like a couple of hundred thousand dollars. It was not a large amount of money and the information that I received from the Student Aid Branch or Department was that — and I'm going from memory here — but I think the program to start it would be about \$350,000; a significant amount of money because it is going to be a fairly significant program.

That wasn't the only problem. They also indicated to me that because it was a major program and a new one, it would require a year to prepare. You don't just decide to have a program like that and sort of implement it over night. So we recognized it was a major deficiency; we identified it as the next area that we had to move on. My feelings are that when we look at the budget for that department next year that it will have a No. 1 priority for developing some help.

MR. G. FILMON: What was the total amount that was involved in the additional grant to the universities that enabled them to freeze tuition rates; \$2 million to \$3 million, somewhere in there? I can't recall.

HON. M. HEMPHILL: \$1.6 million, Mr. Chairman.

MR. G. FILMON: What amount might have been required simply to freeze the tuition fees of part-time students and not freeze the tuition of full-time students?

HON. M. HEMPHILL: I don't have that information, Mr. Chairman.

MR. G. FILMON: Well, I think what the Minister is telling me is that there wasn't a comparison done between tuition fee freeze and student aid. It seems to me that it was incumbent on the government to ensure that they were getting best value for their dollars spent at the universities, if access was indeed the concern, and I think we're all concerned that access to the universities be made equal for everyone in society regardless of their financial means. I also happen to think that student aid goes far beyond the tuition rate in deciding that. To what percentage of the population finance is the ultimate deciding factor in going to universities? That's another question. I'm sure that the Minister may be aware of studies that have been done in the past. In fact, for Senate or the Board of Governors back in the mid-70's, Dr. Waterman did a study to determine what were the major factors and finance was not No. 1. I'm not sure if the Minister is aware of that.

HON. M. HEMPHILL: Mr. Chairman, first, I'm not

aware of the particular study, but if it was done in the '70s, my first comment might be while finance might not have been a major factor in the '70s and wasn't to many of us, but it sure as heck is for a lot more people now. Money is tighter everywhere and people who were in the middle class or who never had any personal financial problems as a family are now struggling to provide basics to their children. We also know that it often requires the salaries of both husband and wife to do what they believe is just maintaining a family unit. The financial pressures, I believe, have increased tremendously on all segments of society and are affecting all kinds of activities.

MR. G. FILMON: Well, I can assure the Minister at the time the study was made, the maximum availability of student aid was something under \$1,000 or around \$1,000, whereas today it's \$5,760, according to the information the Minister gave me yesterday. Similar studies have been carried out throughout the '60s, the '70s and even up to recently, and over and over the answer keeps coming back that the major reason why people do go or don't go to the university is not finances. It's expectations. It's a sociological thing of the family unit, of the environment in which they grow up. It's this business of creating role models and opportunities to identify with people that allows people to have the desire to go to university because it's not only an investment in money, it's moreover an investment in time, energy and effort that many are not prepared to make given the questionable value in their mind according to the values that exist around them. So that is the factor over and over again.

Regardless of that, that has very little bearing on our discussion now of what motivated the Minister's decision to freeze the university fees and what information she had behind that decision in order to make a rational decision to give the taxpayers maximum value for the dollar spent in assuring that there was equal access from an economic viewpoint for the people who want to go to university in Manitoba.

HON. M. HEMPHILL: Mr. Chairman, I think we recognize that a lot of these decisions are judgment calls and that the priorities of the people, the attitudes and philosophies of the government have an effect on the decisions that are made. All I can say in response is that we did give, under the circumstances of time — we really did not have a lot of time when we came in and had to finalize, make a lot of really important decisions about expenditures and do it with giving as much thought and as much sort of rational thought and gathering as much information as we could. I do believe that we looked at it on a rational basis, that there were reasons for it, not just sort of going off the top of our head, and that the combination of the programs at the two ends I believed were good decisions, were effective and I stand by them.

MR. G. FILMON: I appreciate the Minister telling me that there were rational reasons behind it, none of which she can identify, but I have to say, after listening to her explanation for close to half-an-hour that there's no question in my mind that this was an out-and-out politically motivated move. I have no objections to helping people have access to university; in

fact, I would like to assure the public that everyone has that access, but there is a vehicle available, it's called Student Aid. It's a good vehicle, it's been improved throughout the years, and I complimented the Minister yesterday on improving it even more, and through that vehicle she will ensure that the dollars go to the people who need it for access to university and not merely spread across the board to gain some political goodwill for the Minister and her government in a particular community. It was a high-profile move; it was one that obviously engendered a great deal of public reaction — positive, I'm sure for the most part — but it wasn't motivated based on any rationale or economic analysis as far as I'm concerned and the Minister, in my view, has confirmed that for me.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I have a couple of comments I'd like to make. I understand you've moved over from the Community College portion of the Estimates just a couple of minutes ago and I have one comment I'd like to make if I may in that regard; if not, I'll wait until the Minister's Salary.

I have one question dealing with the Farm Machinery Course that is now being carried out or planned to be carried out at the College in Brandon, at the Community College, the numbers of students, the acceptance of the course and how successful it's working. I think it would be unfair not to give credit to my colleague, the former Member for Gimli, when he was a member and the Minister of Education for his work and effort that went into development of the Assiniboine Community College, so that type of program could be put in place. It was close co-operation between the Department of Agriculture and his department to enable the development of young people to enter into the field of farm machinery repair, a definite request. There were multiple requests kept coming from the Farm Machinery Board, which is a provincially appointed board, to support such a move.

Maybe the Minister could give me a progress report on the whole development of that program, numbers of students and how popular it is because there is certainly a demand, or was a demand for it?

MR. CHAIRMAN: The Honourable Minister.

HON. M. HEMPHILL: Mr. Chairman, the member has asked for considerable detailed information. We did pass the Colleges section last night and perhaps, so that we can gather again the material that would answer his questions, he could bring it up under Salary and we could continue with the universities and we'll get that information.

MR. J. DOWNEY: I thank the Honourable Minister for her response and I'll be satisfied with that if in fact she will provide that information.

On universities, Mr. Chairman, I as well would like to ask the Minister of Education her feelings towards, or her support of, the efforts that had been suggested during the Minister of Agriculture's Department? I put on the record and made some certain requests and comments about the planning and the work that was being done prior to the changing of government last

fall. I pointed out to the Minister of Agriculture, and I hope as well that she would be aware of the concern that I have, the concern that I think she should have, that her government should have, on the need to further enhance or to fund, put in place, bursary programs or a program that would support individuals who want to carry on with particularly agricultural research — we have had a tremendous amount of credibility and some of our people who have been involved in the plant products and many areas in the development of agricultural crop varieties and work done in the livestock field, whether it would be in the poultry area or just general research in Agriculture. As a province we have a pretty good name in the international world for that kind of development.

However, we're finding that the demand for agricultural students throughout Manitoba, throughout Canada, has been somewhat greater than the supply of people and the enticement for those individuals to leave college after graduating from probably a four-year Ag Degree or a two-year Diploma have gone into the private industry or have gone to work for governments at one level or another and what is developing is a severe shortage of people who are carrying on with post-graduate education to in fact go into the extended plant breeding programs. I can foresee in the very near future a real void in the numbers of people who are carrying out that kind of work. To me that is a situation I do not want to see develop. I think that the production of grains, the keeping up of disease resistant varieties and all those things that add to a farmer's efficiency, have to be carried on.

The danger that I'm trying to point out or that I am pointing out is that with industry taking away the people that are so capable, is the Minister prepared to support or would she support or look at a program, in combination with the Minister of Agriculture, to put in place a program that those individuals who would normally move out of the extended education area would continue on to take that education? They would have to receive funds that would keep them there, so they could carry on with their family lives and put bread and butter on the table the same as she and her colleagues have to do. I'm bringing it to her attention as the Minister of Education, because I think her support would be pretty valuable in supporting the Minister of Agriculture and as well pointing out to the university that it would be an area where they could prioritize some of their expenditure.

I would like her comments on it, because I know that she would certainly be supported by members of our caucus on such a move to further expand the post graduate work in the development of crops, livestock and all areas that I think are going to be critical if we're going to maintain our lead in international circles as a producer of one of the most important commodities that everyone in the world depends on.

I should point out perhaps the significance of this because we too often as a nation forget about the importance of the farm community. Just recently on a tour to the St. Lawrence Seaway and the Welland Canal System, which I had the privilege to participate in on a legislative tour, the agricultural community, if it wasn't for the exporting of grain out of Canada, this country would be virtually at a standstill as far as the economic income is concerned as a nation. Normally

there would be boat loads, lakers or salties coming up with bulk commodities; particularly, the lakers would be moving iron ore up into the central Canadian area for manufacturing.

At this particular time during this depression that we're in, there is virtually little, if any, bulk commodities coming up the seaway and the only commodity that is moving is grain. If it wasn't for the movement of that grain, the whole shipping industry would be at a total standstill — the total income that this country depends on for foreign exchange that we have to have to generate monies to buy the offshore oils that we have to buy. So the importance of our agricultural industry in the expansion of and the support of people who are going to keep developing our grains and our commodities that will keep us in the forefront for world food production can't be underestimated. I raise that point because, as I say, if it wasn't for the exporting of grain in the international markets, I believe this country would be virtually at a standstill. We're in a deep depression as it is.

I would hope that the Minister could see herself supporting a program or having her department work with the university on a program that would put money into advance research work at the University of Manitoba. I'd like her comments.

HON. M. HEMPHILL: Yes, Mr. Chairman, a couple of specific comments and then some general comments on the points made. I think the Department of Agriculture funds research directly at the University of Manitoba, about \$800,000.00. I also know that the universities bring into our province — my recollection is it's about \$25 million a year for research funds. I don't know what the breakdown is and I don't know if there is money coming in to support special research projects in this area in agriculture, but I suspect that out of the \$25 million influx that there is some money going there.

In general, I'd like to indicate to the member that I believe quite strongly that we want to keep our experts at home, so I support his feelings and the thoughts he has related to that. We put a lot of money into their training, their development and the skill and we don't want to get them to that point, then lose them and then have the benefits of it received by somebody else. So I do believe in giving support and help to our own people and doing whatever we can to keep them so that we get the benefits. I believe that what he's suggesting is post graduate fellowships, that is after they've graduated; some provinces do that. I think that it is not a bad idea to take a look at to give it consideration. I believe it can be quite costly but I think it's something that we could give some consideration to.

I also would like to indicate that I do believe and I agree with the statements that he made about the importance to our province of the agricultural industry and on that basis, I accept the information and the points that he made and will be happy to include that in some of the future discussions that I have both with my department and with university presidents when we look at priorities for funding and money and what our plans are in the coming years.

MR. J. DOWNEY: Mr. Chairman, I have a specific comment to make in regard to the \$800,000.00. I

should make a comment on this. That is pretty much directed to the Research Station at Glenlea. That's the basic grant that's been passed on from the government to the university. It hasn't increased rapidly enough; it wasn't increasing rapidly enough, I have to admit, under our own administration, but it's a vehicle they have used to support research.

In addition to that, there are quite a few hundreds of thousands of dollars going out through the Agro-Man Agreement which is a federal-provincial program that helps the development of research which was implemented during our term of office. I would hope that what could develop under some of the federal-provincial — how should I put it — under the attitude of the present Minister of Finance in the Province of Manitoba and the implementation of a taxing policy that could challenge the Federal Government, it could endanger the kinds of programs that we were able to work out that really helped our research program. If there is any retaliation by the Federal Government, it could in fact jeopardize some of those programs that I think are pretty solid and basic to the overall development of a joint federal-provincial working agreement.

I just hope that the attitude of the present Minister of Finance and his quick trickery in his taxation policy do not jeopardize the kind of support and working togetherness that the Department of Agriculture both federally and provincially have been able to develop over the last four years. I think there are quite a few additional hundreds of thousands of dollars that have gone into research.

The Minister says she would be prepared to look at the further funding of researchers. Mr. Chairman, I think it's important to point out that if we don't spend money in research and we don't prioritize it and put in place programs like that, we will fall behind at a very rapid pace. I think that one example of developments that have taken place in the plant breeding in particular has been the development of the Selkirk wheat which was a rust resistant variety. I think if we hadn't seen that kind of development take place in the grain research industry that we wouldn't be able to produce the kinds of and volumes of grain today in the farm community to add to the whole of the export trade.

In today's terms, it wouldn't take a lot of money to assist a few people to extend their education or to go into post graduate work, take on these kinds of additional education challenges and get into that area when we see the kinds of things and the track records that have taken place.

Another example, of course, was the development of Triticale in the Province of Manitoba. I think those kinds of developments, those kinds of proven track records, have to be supported and I hope that the Minister would more than look at it, that she would see fit to put it on a priority list and through efforts with the Minister of Agriculture could see fit to vote funds either in her department or in the Ministry of Agriculture in the coming year to start a program in that way.

HON. M. HEMPHILL: Mr. Chairman, I have some information available from the previous question about the Farm Machinery Mechanic Course at the Assiniboine Community College. There are 30 students in the course; they are divided into two levels, depending

on their date of entry. Fifteen students will be graduating this year. It is estimated there will be between 35 and 40 students next year and that response from the students to the course is very favourable.

MR. CHAIRMAN: The Member for Morris.

MR. C. MANNES: Thank you, Mr. Chairman. I'd like to ask some questions related to those posed earlier by the Member for Tuxedo.

Something disturbed me in the discussion going back and forth and I'd like to ask some specific questions, so maybe some of the doubt in my mind can be relieved. I'd like to know specifically, when we're talking about tuition fees, what they are today? I haven't been in university for some 10 or 13 years — (Interjection) — too long ago. I know in the Department of Agriculture in 1969 when I last paid a full tuition fee, it was some \$450.00. Do you have available — (Interjection) — Yes, I thought it was cheap at the time. I'm wondering, do you have the tuition fees in that faculty in front of you, and if you don't, a General Arts Course will do also.

MR. CHAIRMAN: The Honourable Minister.

HON. M. HEMPHILL: Tuition fees in 1981-82 for Arts and Science, Manitoba, \$670; Winnipeg, \$670, for the three universities. Agriculture degree, \$785, Agricultural diploma is \$645.00. Pharmacy, \$890; Nursing, \$820.00. It looks like the range is from \$645 to \$1,260 for Medicine.

MR. C. MANNES: Thank you. That certainly gives me some idea, at least, where we are now. Like I say, it's been a number of years since I even bothered myself with that type of information.

I suppose I'm sort of struck a little dumbfounded right away when I realize that, in fact, tuition increases have been that small over some 13 or 14 years. I'm wondering if the Minister realizes in straight economic terms — if you talk about a 1971 dollar being worth 41 cents or 40 cents and what a 1981 dollar is, that in fact the actual cost to me, let's say taking a degree in Agriculture in 1982 is not \$785 but it's \$335 — if you do realize that, I'm wondering where in this whole area of tuition fees are students in general worse off if in fact tuition fees were to increase?

HON. M. HEMPHILL: No, Mr. Chairman, I think it's clear from the information that has been given previously that the proportion of costs that are paid by the university student have been declining not just through the freezing or the not adding on tuition fee increases this year, but over the period of probably the last eight or 10 years where they have decreased. It's something in the range of 20 . . . In '77-78 it was 11 percent; '79, 12 percent; it stayed at 12 percent for the last four years. It's tuition fee income as a percentage of the total income. In the '60s, it was about 25 percent, so simply there has been a continual reduction and decline over a long period of time.

MR. C. MANNES: Just to be more specific so we understand specifically, you know, what we're talking about. What you're saying is that tuition fee is a per-

centage of disposable income. In actual terms, over some 15 years has dropped from roughly 25 percent of disposable income to roughly 11 or 12. Can the Minister confirm that statement? — (Interjection) — Well, okay, we're not talking quite about the same thing. I guess then what I'd like to know and I'm wondering if any research has been done on this because I think it's a very critical matter to know, what percent of disposable income of students is directed specifically towards tuition fees and what comparison do we have to 1971, because in my mind that's the only valid comparison whatsoever when you're talking about the impact on tuition fees upon a student today versus 1971?

HON. M. HEMPHILL: Mr. Chairman, no, we do not have that information nor have there been any studies that would give us that information. What we do know though, and I realize it doesn't have the statistics that a researcher might like to have to confirm, is that the fees that were required a decade ago or a little bit longer were really those that were levelled at a group of people who were a much different target population than I suggested. It was the middle and upper income people who were going to universities and people who could afford university fees. They have been kept as a ratio, they have been reducing, consistent with the tremendous change in the kinds of people who are going who do not have large amounts of disposable income, who often are single parent, who often are mature, young, working people supporting families, many of them at the same time as they're going to school, so that the ratio and keeping them down is really important to the changing times and the changing population.

MR. C. MANNES: Mr. Chairman, I fully understand the argument when we're talking about part-time students and at this point I'd hesitate moving into that area because I can see obviously the Minister's concern and obviously our concern too in that whole area. But let's talk specifically about the full-time students because some figures don't add up. When I went to that university, the University of Manitoba, some 10 or 12 years ago, I believe the student count at that time was roughly 12,000 also. What I don't understand is, if the population is relatively the same at the university, we must all come from the same walks of life and from the same income makeup that we do now on the average, so what I'm asking, I suppose, in fact are you bringing or is there coming to university today a cross-section of students, in an income sense, which is vastly superior than it was some 10 or 12 years ago?

HON. M. HEMPHILL: I've a bit of information but not I'm sure what the question was, so I may not answer it and the member may ask again.

In terms of the full-time students, I think what he was suggesting is that they are the same as we were when we were there, that they're coming from the same makeup and the same target populations, and I do not believe that is so. The changes are not just taking place with the part-time students. Out of the 12,000 full-time students at the University of Manitoba, 2,000 of them are over 26 years and older and 1,000 of them are over 30. I think previously it was

young people that were there, it was people coming out of school whose families could afford to send them to university and the target populations in both groups have changed significantly.

MR. C. MANNES: Mr. Chairman, the Minister seems to be indicating then that in fact the demographic characteristic of the student makeup at the University is such that because a larger percentage of students are older — I think you used the words 26 years and older — that fact in itself has them coming in from a different income makeup than may have been the case in 1971. Are you indicating that?

The main reason that I think the government and other people have used for maintaining low tuition fees was the fact that it allowed equal access to everything. Now I think you're indicating to me that because we have a different age population coming into university that, in fact, they do not come from the same economic makeup on the average than they may have 12 years ago. Is that true?

HON. M. HEMPHILL: Mr. Chairman, yes.

MR. C. MANNES: And is that true by analysis or is that true by intuition?

HON. M. HEMPHILL: Yes, we have reasonable information from the Student Aid Branch on the socioeconomic status of many of the students and that is what it is indicating.

MR. C. MANNES: Well, I'm very happy to hear that you have some detailed results on the socioeconomic status of these students because that then leads into a very interesting question, because I'm impressed with the way you're able to break out all of these 12,000 full-time people by age classification.

Have you been able also then or could you combine it with some of the socioeconomic information you have so that you can determine what percentage of the 12,000 full-time students indeed require the support of a tuition fee freeze, and what other part of that group therefore require student aid?

HON. M. HEMPHILL: Mr. Chairman, no, we do not have the information detailed from the Student Aid Branch the way we have it on the age population from the universities. What we do know is that there are many people who are married, who are single, who are adults, who are single parent mothers, and who are ordinary working people who are now going back to university. I must say that in terms of use of resources that there has to be some relationship between the information you gather, the value of the information and the cost.

What we're looking at, to just bring to the member's attention, is a decision in one year to give additional support to the universities so that they would not be required to increase tuition fees, and that dollar amount is \$1.6 million. We're talking about a total budget of \$135 million, Mr. Chairman, and we're spending a tremendous amount of time trying to detail and find out all of the reasons and rationale for this \$1.6 million and really perhaps there might be other significant questions. In relative terms, it was not a

major decision. It had a lot of thought and I think rational reasons going into it. We've communicated what they are and the members opposite can agree or disagree with those judgments.

MR. C. MANNES: Mr. Chairman, I see now what bothers me. Because out of the 13,000 full-time students — and I can appreciate those individuals that are single parents and are striving to improve their education level and therefore their lot in life, I can certainly understand that — but do we know in fact that there aren't 10,000 of those 13,000 students who couldn't support a tuition fee increase or who couldn't cope quite well under paying higher tuition fees, realizing that in terms of what I paid as a student in 1968, that if I were to go to university, then terms of my disposable income in terms of \$71, I would not be paying \$785 to the Department of Agriculture. Indeed I would be paying somewhere around \$330.00.

What concerns me, are there 10,000 students or do we have a clue how many there are that should be paying a rate which is equivalent to the rate that I paid in 1968, inflated by some 150 percent? Do we know that at all?

HON. M. HEMPHILL: Mr. Chairman, what we do know, we do not have a tuition differential, nor did we even consider it this year, nor has it been considered before between part-time students and full-time students. What we do know is that the total full-time students are in the range of about 16,000 students in Manitoba and the total part-time students are in the vicinity of about 21,000. We do know and I think feel very strongly that the part-time students and the target populations that are in that group are in the category, (1) where tuition fee increases or any additional increases have a significant impact on them and there are reasonable numbers of full-time students that are in the same category. The decision was made to give that kind of support during this interim year when there wasn't student aid available to part-time students and we believed that the impact will hit hard the part-time students and reasonable numbers of full-time students. The other thing we have to recognize and agree on, Mr. Chairman, is that there are philosophical differences and we can argue them till doomsday and you can't document and provide statistics for some of those judgments and priorities and decisions that are made.

MR. C. MANNES: Well, Mr. Chairman, I heard the Member for Tuxedo ask the rationale behind the decision. I'm wondering, after I've heard what the Minister has just related, if the rationale indeed is this, that in fact the whole decision on tuition fee increases was based specifically on those students that are not full-time, that have special needs and that in fact we have no idea whatsoever as to what percentage of the full-time students could more than safely or ably pay a tuition increase and, therefore, because the main focus was on the part-time student and those students with special needs that the program had to be universal.

HON. M. HEMPHILL: I gather from all the questions and concerns that the member opposite would have liked to have seen tuition fee increases and have seen

them applied to the part-time and the full-time students. I think that I probably explained, to the degree that I can explain, the reasons that we made the decision, that it was a combination of, I think, philosophical attitudes and feelings. I'm willing to state that, plus concern about access for students and that we wanted to meet it in two ways, student aid and cost to university students. Those reasons for the decision are not going to change and the member opposite may not like them or may not agree with them but those are the reasons I have given.

MR. C. MANNES: I won't belabour this, Mr. Chairman, I'll just make my final comment and that is I find it hard to believe that the people such as myself who may go into some of the professional faculties and many others and yet we can't tell, by the way, how many of those could more than pay an increase that kept in step with inflation. I find it hard to believe that in terms of 1971 dollars that I as a student in the Department of Agriculture would be paying some \$330 to receive a full year of education. That makes no sense to me whatsoever.

HON. M. HEMPHILL: Mr. Chairman, obviously from the decisions that were made by this government in this year and decisions that were made by the previous government in previous years there are different attitudes towards access into universities. We know what we did this year and why. We've explained it as best we can, the reasons for it. They put up tuition fees in one year of 20 percent and I wonder, you know, did they care about access at that time? If we had lots of resources and unlimited resources, ideally we would prefer to have no tuition and universal access. This was the best we could do to giving support in this budget year that we could manage. I'm prepared to explain it, I'm prepared to defend it and say that I think it was the right decision and I think we made it for the right reasons.

MR. C. MANNES: Thank you, and I thank the Minister. I think the only thing that we've been trying to draw out is the rationale, first of all. Secondly, was it backed on fact or was it based on intuitive feeling or philosophical reasons? That's all we are trying to draw out in this debate.

MR. CHAIRMAN: If there are no further questions, 6.(a)—pass — the Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, I wonder if the Minister could indicate to us where Manitoba stood in tuition fees in 1981-82 versus the rest of the country for other universities. I'm sorry, I won't play games with the Minister, I'll put it on the record. Manitoba stood last, we were the lowest in the country in tuition fees — unless she has other information. This comes from the Association of AUCC, whatever that is, the Association of Universities and Colleges of Canada. In 1981-82, prior to the freeze, Manitoba's fees were the lowest in the country, so obviously they still remain the lowest in the country.

MR. CHAIRMAN: The Honourable Minister.

HON. M. HEMPHILL: Not quite, Mr. Chairman, Alberta is the \$670 figure I gave for the Faculty of Arts and Science. The \$605 for the three universities in Alberta and in British Columbia, \$650 and \$660, which is just a little bit below. So we're not quite at the bottom but we don't see that as a horrible situation anyway, Mr. Chairman.

MR. G. FILMON: I agree it's not a horrible situation but it obviously also wasn't the rationale for the freeze. So, Mr. Chairman, I wonder if the Minister could just indicate briefly — I have some resolutions by the university presidents of Canada at a meeting and one of them speaks to the matter of autonomy of universities — what is the Minister's feeling on the arrangements that should take place vis-a-vis the relationship between the governments being the funding bodies for the universities and major funding bodies and the universities with respect to their autonomy to make decisions within the universities.

HON. M. HEMPHILL: Mr. Chairman, I'm trying to think of how to give a 1-½ minute answer to a fairly important question. I think we have to rise at 5 o'clock. —(Interjection)— You'll let me finish it, thank you.

I think that it's important and I support the universities' autonomy and determination of their priorities and their activities, but not in isolation in terms of having a lot of contact and communication both with government that is the funding agency and with other universities. In other words, what I believe we should have is more discussion, more very open discussion, about what expansion is going to take place, where it's going to take place, what the universities can do uniquely and do best, recognizing that we cannot do a lot of duplication and a lot of automatic expansion just according to an individual university's wishes to expand without looking at all the resources and looking at it from a provincial point of view. To that end I have set up discussions and meetings with the university presidents, faculties and bodies so that we can put a lot of this on the table and start talking about where we're going to go and what the universities are going to concentrate on. I see a co-operative relationship not interfering with their autonomy and their decision-making but a lot more flow of information going from government to universities and from universities to government.

MR. CHAIRMAN: Committee rise.