



Third Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

33 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, Hon. A.R. (Pete)	Ste. Rose	NDP
ANSTETT, Hon. Andy	Springfield	NDP
ASHTON, Steve	Thompson	NDP
BANMAN, Robert (Bob)	La Verendrye	PC
BLAKE, David R. (Dave)	Minnedosa	PC
BROWN, Arnold	Rhineland	PC
BUCKLASCHUK, Hon. John M.	Gimli	NDP
CARROLL, Q.C., Henry N.	Brandon West	IND
CORRIN, Q.C., Brian	Ellice	NDP
COWAN, Hon. Jay	Churchill	NDP
DESJARDINS, Hon. Laurent	St. Boniface	NDP
DODICK, Doreen	Riel	NDP
DOERN, Russell	Elmwood	IND
DOLIN, Hon. Mary Beth	Kildonan	NDP
DOWNEY, James E.	Arthur	PC
DRIEDGER, Albert	Emerson	PC
ENNS, Harry	Lakeside	PC
EVANS, Hon. Leonard S.	Brandon East	NDP
EYLER, Phil	River East	NDP
FILMON, Gary	Tuxedo	PC
FOX, Peter	Concordia	NDP
GOURLAY, D.M. (Doug)	Swan River	PC
GRAHAM, Harry	Virten	PC
HAMMOND, Gerrie	Kirkfield Park	PC
HARAPIAK, Harry M.	The Pas	NDP
HARPER, Elijah	Rupertsland	NDP
HEMPHILL, Hon. Maureen	Logan	NDP
HYDE, Lloyd	Portage la Prairie	PC
JOHNSTON, J. Frank	Sturgeon Creek	PC
KOSTYRA, Hon. Eugene	Seven Oaks	NDP
KOVNATS, Abe	Niakwa	PC
LECUYER, Hon. Gérard	Radisson	NDP
LYON, Q.C., Hon. Sterling	Charleswood	PC
MACKLING, Q.C., Hon. Al	St. James	NDP
MALINOWSKI, Donald M.	St. Johns	NDP
MANNES, Clayton	Morris	PC
McKENZIE, J. Wally	Roblin-Russell	PC
MERCIER, Q.C., G.W.J. (Gerry)	St. Norbert	PC
NORDMAN, Rurik (Ric)	Assiniboia	PC
OLESON, Charlotte	Gladstone	PC
ORCHARD, Donald	Pembina	PC
PAWLEY, Q.C., Hon. Howard R.	Selkirk	NDP
PARASIUK, Hon. Wilson	Transcona	NDP
PENNER, Q.C., Hon. Roland	Fort Rouge	NDP
PHILLIPS, Myrna A.	Wolseley	NDP
PLOHMAN, Hon. John	Dauphin	NDP
RANSOM, A. Brian	Turtle Mountain	PC
SANTOS, Conrad	Burrows	NDP
SCHROEDER, Hon. Vic	Rossmere	NDP
SCOTT, Don	Inkster	NDP
SHERMAN, L.R. (Bud)	Fort Garry	PC
SMITH, Hon. Muriel	Osborne	NDP
STEEN, Warren	River Heights	PC
STORIE, Hon. Jerry T.	Flin Flon	NDP
URUSKI, Hon. Bill	Interlake	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, Hon. D. James	St. Vital	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 11 June, 1984.

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 . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Culture.

HON. E. KOSTYRA: Mr. Speaker, I have another statement to make.

MR. SPEAKER: The Honourable Minister.

HON. E. KOSTYRA: Thank you, Mr. Speaker. It is my privilege to announce today the signing of yet another agreement between the Government of Manitoba and Government of Canada.

As the House will remember, Mr. Speaker, Manitoba was first among the provinces to sign a new Economic and Regional Development Agreement with the Federal Government.

This Communications and Cultural Enterprises Agreement adds to the impressive list of economic initiatives signed to date, reinforcing this government's well-defined vision for Manitoba.

These agreements are strengthening our economic base, as well as broadening and sustaining our recovery.

I am particularly proud to announce the successful negotiation of this agreement with the Government of Canada, given the fact that it is the first ever agreement on Communications and Cultural Enterprises.

The agreement calls for the investment of a total of \$21 million. The Government of Manitoba will be contributing a total of \$8 million through the Jobs Fund; the Government of Canada is contributing \$13 million directly to the agreement, and in addition has committed \$10 million to the province through Telefilm Canada. This makes it, in effect, a \$31 million agreement.

There are three primary sections to this agreement: the first deals with communications and information technology in which projects will be initiated with the potential to develop new industries or to strengthen existing industries with significant growth in high quality jobs.

The second sector has a number of components concerning cultural enterprises infrastructure development including the establishment of an advisory committee on film, video and audio production capabilities and skills development facilities. Initiatives will also be taken in the area of skills development facilities and the development of an ethnocultural communications centre.

The third sector of the agreement, Mr. Speaker, deals with cultural enterprises development with programs in the areas of film, publishing and the recording industry.

This agreement, Mr. Speaker, will make an important contribution to the development of strong, independent communications and cultural industries in Manitoba, an important component of our long-term development strategy, one which will place Manitoba even further along the road of economic growth and to economic stability.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker. This is a welcome announcement. It isn't really that new, because the Minister did kind of hint that he was working on this type of a particular agreement while we were in his Estimates and there was a certain reference to his negotiations in his opening statement. So it is not entirely a new announcement, although it is a brand new agreement that has been signed.

Mr. Speaker, it's always good to sign agreements with the Federal Government as this party did when we were in government, the Enterprise Manitoba, Destination Manitoba Agreements, which were very successful agreements.

If the Minister would be kind enough, when he has them ready, to lay down the regulations regarding the conditions that this money will be used and turned over to the private industry, we would be very pleased to see it, Mr. Speaker.

Thank you very much.

MR. SPEAKER: Notices of Motion . . .

INTRODUCTION OF BILLS

HON. M.B. DOLIN introduced Bill No. 22, An Act to amend The Labour Relations Act and various other Acts of the Legislature.

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: Thank you, Mr. Speaker.

Pursuant to Rule 84, I have an explanatory statement regarding the introduction of Bill 22. Copies of the bill and explanatory notes will be distributed to members of the House.

In May of 1983, the Manitoba Government commissioned a review of the province's labour legislation. In the course of that review, my department received a number of written presentations, conducted public hearings and met with members of the province's industrial relations community. At the same time, I, as Minister of Labour, held several consultative meetings with employer and employee representatives.

In April of 1984, the government published a White Paper on proposed changes in Manitoba's labour legislation. The publication of that paper was followed by another series of meetings with representatives of the industrial relations community. Much of the bill that I have introduced today is based on the April White

Paper and the concerns expressed during the various consultative meetings.

Mr. Speaker, Bill 22 proposes to grant the Manitoba Labour Board greater independence and increased responsibility. It is proposed that the board's tripartite makeup be retained; that the chair and vice-chair be appointed for five to seven year terms; that the board have the ability and responsibility to provide more guidance and information to the labour management community; that the board further develop the practice of issuing written decisions; and that there be an increased emphasis on settlement of cases before they reach formal hearing stage.

In the area of certification, the bill proposes to establish a date of application system. Bill 22 calls for a determination of the true wishes of employees by signed membership cards as of the date of application.

The bill proposes that employees who have signed cards be permitted to change their minds up to the date of application and that the board hear any objections regarding improprieties in the way in which the cards were solicited.

Mr. Speaker, Bill 22 also encourages the use of grievance mediation, a step using persuasion in dispute resolution; and it is proposed to entitle the party initiating the grievance to refer the grievance to expedite at arbitration where the time limits are greatly reduced. A mediator is appointed and the case is heard by a sole arbitrator.

Finally, Mr. Speaker, much of the volume of Bill 22 can be attributed to the technical changes, bringing greater consistency to the act and to the consolidation of sections of The Department of Labour Act into The Labour Relations Act, as regards to the Manitoba Labour Board.

I thank the House for this opportunity to explain some of the provisions of Bill 22 and I look forward to questions and debate during second reading of the bill.

MR. SPEAKER: Is it the pleasure of the House to adopt the motion? (Agreed) Agreed and so ordered.

The Honourable Attorney-General.

HON. R. PENNER introduced Bill No. 23, an Act to amend The Queen's Bench Act and The Court of Queen's Bench Small Claims Practices Act.

INTRODUCTION OF GUESTS

MR. SPEAKER: Prior to Oral Questions, may I direct the attention of honourable members to the gallery.

We have 25 students of Grade 5 standing from the Victor Wyatt School under the direction of Mr. Jackson. The school is in the constituency of the Honourable Member for Riel.

There are 19 students of Grades 1 to 9 standing from the Country View School under the direction of Mr. Reimer. The school is in the constituency of the Honourable Member for La Verendrye.

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

ORAL QUESTIONS

Bill 22

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Thank you, Mr. Speaker. My question is for the Honourable Minister of Labour and it follows upon her introduction this afternoon.

In view of the fact that recent reports indicate that the Superior Bus Plant in Morris is going to be closing down, with a loss of 60 jobs to the Province of Manitoba, in view of the fact that a labour relations breakdown in Brandon will likely lead to the shutdown of a plant there, Burns, another loss of 120 jobs to the province, will she and her government not consider stopping their anti-business moves, anti-employment tack with this one-sided labour legislation that is going to worsen labour relations and worsen the climate for investment, and withdraw the proposed amendments to The Labour Relations Act so that once again we can look forward to stable labour relations and more investment and more employment in this province?

MR. SPEAKER: The Honourable Government House Leader on a point of order.

HON. A. ANSTETT: Thank you, Mr. Speaker. Although I'm sure the Minister of Labour would enjoy an opportunity to answer the question, I think allowing the question, Sir, would set an awkward precedent. It's clearly anticipating a matter that's been appointed for debate by this House and by the first reading just approved moments ago and, Sir, the member himself, I am sure, knows that the question, as framed, was clearly argumentative.

MR. SPEAKER: Does the Honourable Leader of the Opposition wish to rephrase his question?

MR. G. FILMON: Mr. Speaker, at a time when labour relations in this province are considered to be comparatively good . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. R. BANMAN: That's right. That's what we've been saying all along. That's what we said.

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

MR. G. FILMON: Mr. Speaker, we're not talking about labour relations, we're talking about a climate for investment, at a time when labour relations are comparatively good, but the climate for investment is terrible. Will the Minister of Labour stop her war on private investment, stop her war on small business, and withdraw this proposed amendment to The Labour Relations Act so that once again we can have employment in this province?

MR. SPEAKER: Order please. The question is still argumentative. Will the Honourable Leader of the Opposition rephrase his question to seek information rather than to give?

Marva Smith Report - tabling of

MR. G. FILMON: Mr. Speaker, as part of the preamble today in introducing her proposed amendments to The Labour Relations Act, the Minister specifically referred to it's being based on the review having been done by one Marva Smith, a review of The Labour Relations Act in this province. That review having been done at public expense, having invited public representation, will the Minister now provide us with the interim report, the first-stage report by the Marva Smith Commission, so that we can know what the background is and know what the potential future changes are in dealing with this proposed legislation? Will she table that report?

HON. M.B. DOLIN: A correction, Mr. Speaker, I did not say that the legislation was based on that report. I said it was based on the White Paper which was up for discussion; I said it was based on consultative meetings; I said it was based on decisions made from that consultation and that is exactly what it says. You will find there is no reference to what the member refers to as the Marva Smith Report in this statement.

When, as I have said before, that report is complete, then we will consider its release.

MR. G. FILMON: Mr. Speaker, in view of the fact that in the first statements of her announcement today in her introduction of the bill, she referred specifically to the Labour Relations Review, which was commissioned by her department. That review was performed by Marva Smith, that resulted in public hearings at public expense, at which many presentations were made. Will she not table that report, so that we know what is the backdrop to that labour legislation and to this whole proposal to amend labour relations in this province, so that the public can know what is in store for them; so that the investment community can know what's in store for them and so they can have an idea just where this government is headed. Will she now table that report?

HON. M.B. DOLIN: Mr. Speaker, I think perhaps for the last time - because I imagine that eventually they will get tired of asking the question - I will indicate that the report that the member refers to is not complete, the consideration even of what it was brought to the government in the first part has not been completed. It will not be tabled at this time.

I am really disappointed that the opposition continues to infer that there is something more in the legislation than what is before them. What I have put before them today, that legislation is what we are bringing forward and that is The Labour Relations Act amendments; the second phase is Employment Standards. The members know that and they know that clearly. To insinuate and infer something different than what is before them is to say that the printed word there is not the truth.

Farmers - assistance to

MR. G. FILMON: Mr. Speaker, in view of the fact that recent reports indicate farm bankruptcies for the first four months of this year are up 50 percent over the same period last year, my question to the Acting Premier is, what is the government doing to help the farmer through these difficult times?

MR. SPEAKER: The Honourable Minister of Community Services.

HON. M. SMITH: Mr. Speaker, we share the concern about the growing rate of bankruptcy. The Interest Rate Relief Program was a program of the scale that we felt the Provincial Government could sustain and all the other farm support programs are to the same end, but without a change in interest rate policy at the national level, we are limited in what we can do. What we are getting now is the fallout from that long period of sustained high interest where farmer after farmer in Manitoba had to go head over heels in debt just to survive.

MR. H. ENNS: You said not a single farmer would go bankrupt in 1981.

MR. G. FILMON: In view of the fact that during the 1981 election campaign, this New Democratic Party advertised that no farmer would lose his farm under an NDP Government; in view of the fact that the measures they have taken in the first two years in government have obviously not been successful; in view of the fact that interest rates are projected to go up over the next year, not down; what is the government doing, what are they planning to do of real consequence to help the farmer?

HON. M. SMITH: Mr. Speaker, 1,400 farmers have received assistance from the Interest Rate Relief Program. At the time of the election, no one anticipated that the economic slide was going to be allowed by the Federal Government to continue as long and as deep as it went.

Mr. Speaker, we have done realistically what is within provincial fiscal capacity to do, and have called upon the Federal Government to move in and assume full responsibility for what they alone can remedy.

MR. G. FILMON: Mr. Speaker, in view of the fact that the Throne Speech refers to a desire on the part of this government to help preserve the family farm, and in view of the fact that a receiver in Manitoba, a Mr. Copeland, said that it is usually the younger Manitoba farmer who is forced off the land by debt, will the government stop looking at its short-term responses to the problem and now look at a long-term approach that will ensure that they come through and keep their promise of making sure that Manitobans, particularly young Manitobans, can stay on the family farm?

HON. M. SMITH: Mr. Speaker, I categorically deny that our program which has to deal with technological improvements on the farm with water supply, water quality, water drainage, soil quality, appropriate use of crops, appropriate marketing, is not devoted to the long-term survival of the family farm.

Mr. Speaker, the financial equity liquidity question is one component of many in preserving the health and the viability of farms in Manitoba. As I have said before, we are committed to do what is within provincial fiscal capacity to do.

MR. G. FILMON: Mr. Speaker, in view of the fact that the Acting Premier is not able to give us any answers

of value on this subject, will the Minister of Agriculture call a special meeting of the Standing Committee on Agriculture of this Legislature to invite presentations from farmers, from people from the finance community, from people involved in the agriculture industry to make their presentations and make their thoughts known so that maybe we can seek some long-term solutions to the real problems that exist out there in the agricultural community of Manitoba?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Thank you, Mr. Speaker. I certainly appreciate the opportunity from the Leader of the Opposition to indicate to him and to many Manitobans and to some that we have been meeting with over the last number of days, with the Premier and a number of my colleagues, including members of the farm community, discussing many of the aspects and the programs that we have put into place to shore up a problem that has covered the farm community over and beyond long before this government came into power, Mr. Speaker.

The Leader of the Opposition doesn't seem to understand the basic problem that farmers have been faced with which their party supported, high interest rates, Mr. Speaker. High interest rates have caused some of the greatest fundamental problems that Manitoba and Canadian farmers have faced, Mr. Speaker. We were the first government to put into place an Interest Rate Relief Program, which has assisted, Sir, some 1,300 of our Manitoba farmers.

Mr. Speaker, we have in terms of dealing with the long-term structural problem of income security put into place two long-term income support programs on beef and on hogs. Mr. Speaker, over \$32 million has been put in to support incomes of Manitoba farmers.

Mr. Speaker, we as well were the only western government to make representations to the Federal Government dealing with the fundamental problem in the grain industry, and that is the structural problems in terms of the Grain Stabilization Program, the only western government, Sir, to support Manitoba farmers, to support Western Canadian farmers for structural changes in The Grain Stabilization Act. Sir, no other provinces did that.

Mr. Speaker, we have made submissions to the Government of Canada dealing with The Bankruptcy Act to deal with the actual closures in the farm and small business community. I am pleased to note that one of our suggestions dealing with The Bankruptcy Act, and that is, Sir, that anyone who has made an offer to a financial institution for settlement, if that offer is not accepted, it can be taken to a court to be arbitrated. That suggestion is being put into legislation. We are pleased that the Federal Government has listened to the Manitoba submission, and we hope that those kinds of cases that Manitoba is facing can be dealt with through arbitration.

As well, Sir, let us understand what is happening across the country. It is not only Manitoba. The Province of Alberta, Sir, the increase in bankruptcies for the same period this year over last, Alberta is at 56 percent. It is nothing to be proud of, Sir. But, Mr. Speaker, we

have done much more and as much as any government in . . .

MR. H. ENNS: You promised this wouldn't happen, Billie.

MR. D. ORCHARD: You should have told the truth in the election campaign.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please. Order please.

The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, along with our programs of income support, of credit, interest rate relief, buy down, we have spent more money on agriculture than any government in the history of this province, and we have done more for agriculture, albeit during difficult times, primarily in the grain industry, it is not enough, Sir, but we will do what we can.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. G. FILMON: Mr. Speaker, in view of the fact that this government was elected on the promise that no farmer would lose his farm; in view of the fact that interest rates today are almost 10 percent lower than they were when we were in government; in view of the fact that their shore-up programs have resulted in a 50 percent increase in bankruptcy, will he not call a special meeting of the Standing Committee on Agriculture to allow the people to tell this government what they think of their programs and to allow the people to work towards some real long-term solutions?

HON. B. URUSKI: Mr. Speaker, it reminds me of the Leader of the Opposition, when they were in government, they called a meeting on Churchill and that's all they did on Churchill. They called a meeting to discuss the future of Churchill up in Dauphin.

Mr. Speaker, when the beef industry came to their government for assistance, what did they tell them? "You see the door, we have no assistance for you." That's what members of the opposition, when they were in government, said to the beef industry.

Mr. Speaker, \$25 million of action on this side of the House; \$7 million of action on the hog industry; that's what we did. We didn't call meetings. Mr. Speaker, I go around rural Manitoba meeting with farmers and I have been meeting and I will continue to meet with the farm community, Sir.

Mr. Speaker, members opposite want a meeting. They can have their meeting. I think the farmers of Manitoba are very pleased to discuss their issues with the government and that is what we are doing throughout Manitoba in terms of the Premier's tour annually throughout the various regions of the province, and I intend to be discussing further issues with the farm community, Sir.

Home Economics Program

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Health. I preface it by saying that I recognize this question was addressed during the examination of the Department of Health Estimates a few days ago, Mr. Speaker, but notwithstanding that, anxieties continue to rise with respect to the Home Economics Program of this province, particularly insofar as it affects rural communities, and reports continue to come into me that that program is being severely cut back.

I would ask the Minister, Mr. Speaker, whether he can advise the House what is the real budget in health promotion for all the home economic activities in the province? As the Minister knows, home ec has been incorporated in the Health Promotion Department; it's very difficult to tell from the figures as to what is being spent on it. I would like to have those figures of the real budget, Sir.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. DESJARDINS: My friend is talking about all the programs of the home ec, so I would like to take this question for the time being and check with my colleague, the Minister of Agriculture, and so on, and try to give the full information and reply to the answer at a later date.

MR. L. SHERMAN: Mr. Speaker, I appreciate that. I would say that I am not concerned about home ec within the Department of Agriculture. As I understand, it has not been reduced, it has not been affected, but home ec within the Department of Health, my question is, Sir, as to what the real budget is for home ec and all the home ec activities that come under health, and whether that is being cut back, whether the directorate of home economics is being downgraded, whether the per diem budget for home ec and health has been cut, just what has happened to it since it was incorporated into the Health Promotion Branch?

HON. L. DESJARDINS: If my honourable friend is right, I thought that I answered his question to the best of my knowledge at the time. It might be that the Member for Fort Garry is referring to dieticians in hospitals. Is that the concern that my honourable friend has?

It might be that there are rumours that dieticians were let out by certain hospitals. The answer was our budget would be, the dieticians that are working for the department, I give that answer. My friend said that he is satisfied with the dieticians that are working in the Department of Agriculture. That leaves then the dieticians that work in the hospital. I wonder if I can get clearer information or an understanding of what the question is, who we are dealing with.

MR. L. SHERMAN: Mr. Speaker, I would be satisfied if the Minister would take it as notice. I assume he would have to take it as notice.

The question is: Since home economics operations in the Department of Health have lost their individuality as a separate directorate and been merged into Health Promotion, the question is what is the real budget in Health Promotion for home economics?

My information is that the budget for home economics has been cut back by some \$300,000.00. It is impossible

to tell from the Health Promotion budget in the Estimates, Sir. So the question is: What is the real budget now for home economics since it was merged into Health Promotion?

HON. L. DESJARDINS: I will take it as notice now that I understand that it has nothing to do with agriculture or the home ec people working in the hospitals. It is strictly with the department.

I want to say, though, that I don't think that they have lost any identity at all. I think it has been an improvement when you are looking at the directorate that we had, and coupled with the director on fitness that was working independently. There is more and better co-operation, but that has nothing to do with the question actually; it was just a statement made. I wanted to answer that and I will try to get the information as soon as possible.

Gasoline Tax Act - charges

MR. SPEAKER: The Honourable Minister of Finance.

HON. V. SCHROEDER: Thank you, Mr. Speaker. On June 7th, the Member for Turtle Mountain asked a question, which was taken as notice, with respect to prosecutions under The Gasoline Tax Act.

He asked whether there were still prosecutions ongoing. The answer is yes, there are, there have been no changes in policy in the last number of years, and we have hired three Student Temporary Employment Program people for work this coming summer.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, is the Minister contemplating any changes in that act with reference to the use of purple gas?

HON. V. SCHROEDER: No, Mr. Speaker.

Pesticides - survey

MR. SPEAKER: The Honourable Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. My question is for the Minister of Environment, Workplace Health and Safety. Could the Minister indicate what area of the province the departmental survey will interview farmers in regard to their use of pesticides in the Province of Manitoba?

MR. SPEAKER: The Honourable Minister of the Environment.

HON. G. LECUYER: Thank you, Mr. Speaker. I will take that question under advisement.

MR. D. ORCHARD: Mr. Speaker, would the Minister make available to myself and to other members of the House a copy of the questionnaire that the surveyor will be using in visiting farmers from door-to-door, as well as a copy of the survey that was used, I believe

by mail last year, to determine the farm use of pesticides?

HON. G. LECUYER: Whatever questionnaire is being used, Mr. Speaker, will be made available.

Beekeepers - use of Crown lands

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Speaker. I have a question which I would like to ask of the Minister of Agriculture. I would like to ask him when the government policy on allowing beekeepers to place their beehives on Crown lands and particularly wildlife areas was changed?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, I will have to take that question as notice. I am not aware that there has been any change, but I will certainly check with the administration.

MR. R. BANMAN: Thank you. A further question to the same Minister. While he is taking that as notice, I wonder if he could inform the House, and maybe check with his colleagues, why many of the beekeepers who for many years now have used Crown lands and, in particular, in southern parts of Manitoba to place their hives, why they are now being called at this late date, when they have their hives and everything ready to place on this, they are being called by the Department of Natural Resources and told that they cannot place their hives on that property anymore.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, this is the first I've heard of it. I am pleased that the member raised it. I want to investigate that matter and see what the situation is and as soon as I have some information I'll bring it back to the House.

MR. R. BANMAN: Since time is of the essence and a lot of the beekeepers do have their hives ready to be placed in the fields, I wonder if the Minister could get back to us with some word as soon as possible.

HON. B. URUSKI: Mr. Speaker, I'm assuming that the honourable member has some specific cases that he is aware of, and I'm hoping that he will pass that information on to me so that I can check on the specifics.

Community Assets Program - applications

MR. SPEAKER: The Honourable Member for Gladstone.

MRS. C. OLESON: Thank you, Mr. Speaker. My question is to the Minister of Employment Services and

Economic Security, and I'm wondering if he has the application forms ready for the Community Assets Program that he announced last week.

MR. SPEAKER: The Honourable Minister of Employment Services.

HON. L. EVANS: Mr. Speaker, we expect them to be available this week.

Attorney-General, Dept. of - appointments

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

MR. G. MERCIER: Mr. Speaker, a question for the Attorney-General. Could he inform the House as to what attributes or skills his recent appointment of a Deputy Attorney-General by the name of Mr. Elton, and an Assistant Deputy Minister, Mr. Larson, will bring to the Department of the Attorney-General that were not available from existing personnel within the Department of the Attorney-General?

MR. SPEAKER: The Honourable Attorney-General.

HON. R. PENNER: There was, Mr. Speaker, as there certainly ought to have been, a national competition with respect to the positions which were open in the Department of the Attorney-General and as should be the case, and certainly was in this instance and indeed, in every other instance in this government of which I'm aware, a search for the very best.

I want to simply to the House that, looking at the needs of the department, we indeed are fortunate in having been able to retain, both from within and from without, the very best, and that is what happens when you have a national competition, which is honest in its inception and honest in its delivery.

MR. G. MERCIER: Mr. Speaker, could the Attorney-General advise who conducted the final interviews?

HON. R. PENNER: The final interviews were conducted by the Premier, the Clerk of Council, the head of the Civil Service and myself.

Headingley Jail

MR. G. MERCIER: Mr. Speaker, on another matter, could the Attorney-General inform the House as to the cost of providing legal aid to an inmate of Headingley who appeared before the Public Utilities Board to protest the rates charged to prisoners using the telephone from Headingley Jail?

HON. R. PENNER: Some members of the opposition seem to find it amusing that people who are incarcerated still retain some of their civil rights. We're long past the 19th century and the Middle Ages when persons who were incarcerated, and being in Headingley usually for relatively minor offenses, lose their civil rights.

The fact that that person had a legitimate concern to raise and, under the existing legislation or Legal Aid

regulations was entitled to legal aid, does not surprise me, does not shock me. I don't know why it should be the members opposite.

Legal Aid - cost of

MR. G. MERCIER: Mr. Speaker, I wonder if the Attorney-General could answer the question and if he doesn't have the information, undertake to inform the House as to the cost of the Legal Aid services supplied in this instance and is this an example of what he was quoted as saying in a news report on Friday, as the department has changed considerably from its original focus on criminal law enforcement.

MR. SPEAKER: Order please. The honourable member knows it is not a proper question to quote from a newspaper and ask for confirmation. The first part of the question, however, is in order and the Attorney-General may answer it.

The Honourable Attorney-General.

HON. R. PENNER: I guess sufficient time has elapsed since the Member for St. Norbert was Attorney-General that he has forgotten and certainly hasn't taken pains to refresh his memory with respect to the provisions of The Legal Aid Services Act.

Matters of the kinds that he asks are matters that are privileged by virtue of provisions of the act and I'm not at liberty - nor indeed do I myself know - what the individual cost of legal aid is, in any particular instance.

Crop damage

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

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

I wonder if the Honourable Minister or his staff has any report or assessment of the crop damage that was suffered in the Parkland region as a result of the killing frost of Saturday night.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, I'll take that question as notice and get back to the honourable member.

Farmers - assistance to

MR. W. MCKENZIE: Regarding the serious economic problems of the farm community and listening to all the garbage that the Minister dragged across the floor today, according to the latest statistics that I see, there are 5,000 of the 20,000 farmers in this province are in real financial problems.

The Minister's not going to call the committee. What solutions has he got to solve these economic problems that are so serious across our province and deserve the early and prompt attention of this Minister?

HON. B. URUSKI: Mr. Speaker, the Honourable Member for Roblin-Russell talks about number of

farmers in difficulty. There are approximately 5,000 producers assisted directly under Income Stabilization in the Beef Program.

Mr. Speaker, there are 1,000 farmers under the Hog Program; there are over 700 farmers under the Loan Guarantee Program; Interest Rate Relief, 1,300 farmers. In terms of those that have gone bankrupt, 27 from January to April, 1984; in Alberta, for the same period, there were 25; in Saskatchewan there were 19, Sir. Those are the kinds of numbers that we are assisting in terms of direct financial assistance in the farm community.

I realize, Mr. Speaker, and this government realizes the difficulty that the farm community has gone through. Most of those that are in difficulty, from our assessment, are in the grain-related industries and we have, Sir, as a result of last year, a resolution in this House and a direct submission to the Federal Agriculture Committee, made representations to have fundamental changes made to The Western Grain Stabilization Act so that not only immediate payouts be made, but long-term changes to the benefit of individual farmers.

Those changes should be made and we are doing what we can to bring in the Federal Government to be involved in national income stabilization in the red meat sector. There really needs to be a tripartite stabilization agreement, but there will be no agreement on Manitoba's part unless the national program is at least as good as the present Manitoba programs.

MR. W. MCKENZIE: Mr. Speaker, we again get the same kind of garbage from the Minister. What is this Minister and what is this government prepared to do to help solve the problems of Manitoba's No. 1 industry, the No. 1 industry in this province, agriculture, my friend? And he stands up and says, I've given some money to the red meat sector. I'm talking about the agricultural community, the grain farmers. Are they going to be satisfied or what's he going to do? If the election campaign is called in February, we'll not . . .

MR. SPEAKER: Order please. I remind the honourable member that questions should be short, concise and to the point and should not in fact be speeches.

The Honourable Member for Pembina.

MACC - Loan Guarantee Program

MR. D. ORCHARD: Mr. Speaker, a question for the Minister of Agriculture. Could he indicate the turnaround time, via MACC, for the loan guarantee applications from the chartered banks and financial institutions?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. B. URUSKI: Mr. Speaker, in the reports I've had, the turnaround time is, I believe, approximately three weeks, but I will take the question as notice, and check for the honourable member.

Careerstart

MR. SPEAKER: The Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Speaker. A question for the Minister of Employment Services, I believe is

the correct terminology. Some two or three weeks ago, the Minister of Employment Services agreed to provide statistics on the breakdown of Careerstart employment opportunities to the House. Could the Minister make that information available?

MR. SPEAKER: The Honourable Minister of Employment Services.

HON. L. EVANS: I am very well aware of that commitment, and I have discussed it with the staff again since the honourable member did ask the question. There is some difficulty with changes of boundaries, and also with the office areas not corresponding with the economic regional zones as delineated by the Manitoba Bureau of Statistics. So as far as I understand, there is this technical difficulty, so that the comparison of the two years may not be as valid. This work is going ahead and as soon as I get that table - I do not have it - I'll be most pleased to give it to the honourable member.

ORDERS OF THE DAY

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

MR. G. MERCIER: Mr. Speaker, at the request of the Government House Leader, I would ask that the matter stand again.

ORDER FOR RETURN NO. 3

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, I move, seconded by the Member for Lakeside

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

1. The number of drivers' licences suspended or cancelled under Section 246 of The Highway Traffic Act in each of the years 1980, 1981, 1982 and 1983.

2. The number of persons called before the Registrar under Section 246 of The Highway Traffic Act during the period October 1 to October 31, 1983 to show cause why their licences should not be cancelled or suspended.

3. The reason for each person being called before the Registrar.

4. The disposition of each case.

5. The reasons for the disposition.

6. The number of appeals to the Licence Suspension Appeal Board arising out of the cancellations or suspensions under Section 246 during the period October 1 to October 31, 1983.

7. The disposition of each of the appeals to the Licence Suspension Appeal Board.

MOTION presented.

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker.

Mr. Speaker, we are prepared to accept the order. I would like clarification from the honourable member though with respect to the time period; in view of the fact that there are between 400 and 500 such cases a month, if the member is after a representative period, if it would be agreeable to shorten the period from one month to perhaps a two-week period to expedite the return of the order because of the volume of material to be collected.

I would also like, Mr. Speaker, to make it clear, because I believe what the honourable member wishes to obtain is a record of the disposition of each case he refers to in Item 3 right through Item 7, so that the progress of the cases, both within the Motor Vehicle Branch but also through the Licence Suspension Appeal Board, can be logically followed, so that the sequencing in the return would show individual cases without, of course, the names of individual licence holders being attached thereto through steps three through seven in the return.

We are prepared to provide the information on that basis so the progress of each case can be shown, but I'm wondering, Mr. Speaker, if the member would be agreeable to expedite the filing of the return to a shorter time period in which to get a representative sample.

MR. B. RANSOM: The latter part of the House Leader's explanation is correct, Mr. Speaker, and I am quite prepared to accept a shorter period, say, October 1st to October 15th. The purpose is to get a representative sample, and it is not necessary to go to any more work than is necessary to get that sample. So if we could have it returned on the basis of October 1st to 15th, that's a good initial sample, I should think.

MR. SPEAKER: Does that correction have the leave of the House? (Agreed)

In the case, the order as corrected. Is it the pleasure of the House to adopt the motion?

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Thank you, Mr. Speaker. Mr. Speaker, I propose that the House would resolve itself into a Committee of Supply. In the committee, we'll be considering the Estimates of the Department of Industry, Trade and Technology in the House and Community Services in the committee room.

Mr. Speaker, I believe there may be an inclination to dispense with Private Members' Hour today. If I have leave to do so, Sir, I would add that to the motion.

MR. SPEAKER: Does the Honourable Minister have leave to dispense with Private Members' Hour today? (Agreed)

The Honourable Government House Leader.

HON. A. ANSTETT: Mr. Speaker, I would therefore then move, seconded by the Honourable Attorney-General, that Mr. Speaker do now leave the Chair, and the House resolve into a Committee to consider of the Supply to be granted to Her Majesty, and that Committee sit through Private Members' Hour today.

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 River East in the Chair for Industry, Trade and Technology and the Honourable Member for Burrows in the Chair for Community Services and Corrections, with the understanding that the House would sit through Private Members' Hour today.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - COMMUNITY SERVICES AND CORRECTIONS

MR. CHAIRMAN, C. Santos: The committee please come to order. We are presently considering Item No. 3.(c)(1), concerning Community Mental Retardation: Salaries, 3.(c)(2) Other Expenditures, 3.(c)(3) Professional Training, 3.(c)(4) Financial Assistance, 3.(c)(5) External Agencies - the Member for Rhineland.

MR. A. BROWN: Thank you, Mr. Chairman. We have had a fairly thorough discussion on community mental health and so on. If the Minister would, every time that we start, let's say, (c), (d), (e) or whatever, give us an explanation of just exactly what has happened in that particular department, I think we can maybe move along fairly quickly.

MR. CHAIRMAN: Madam Minister.

HON. M. SMITH: I will give a general introduction. I also wanted to say that you did enquire last session whether we had a copy of the organizational structure with the current incumbents compared to last year. We have those with the current names printed in, and we're just catching up filling in the former names. They will be ready for you directly, and we'll hand them out.

The Community Mental Retardation Program is a mixture of institutional care, regional workers who deal with individual cases, residences and activities in the community. The vocational or day activity type of program is not included in the budgetary side, but in the planning process, which we have initiated to bring more balance into the system between institutional care and community-based care, there will be co-ordinated planning with that program.

The main thrust of the year and indeed the years to come will be the building of more balance in the program, and the gradual improvement of the institutional program that has been the more traditional type of program. I think I went into some lengths last time to describe the process whereby we have a central committee with government and representatives of the main community organizations in the field setting down criteria for who will move out of institutions, where they will go and to approve projects. Then in the regions, implementation committees will be soliciting proposals from community groups and when a decision has been made to go ahead with a community residence and associated program, will be overseeing the implementation; so what we're putting in place is a co-operative planning and program delivery system with government taking the lead, but working very much in co-operation with the private agencies in the field.

MR. CHAIRMAN: 3.(c)(1)—pass; 3.(c)(2)—pass; 3.(c)(3) - the Member for Rhineland.

MR. A. BROWN: These professional training people, who are they? Are we talking about . . .

HON. M. SMITH: The recipients of the training are staff working throughout the field, sponsors of foster homes, community resident staff and community boards and administrators and sometimes we will draw on expertise within the department; sometimes we'll draw on people outside and just set up seminars and workshops for the ongoing training. That'll be an increasing part of our work as the community outreach activity progresses.

MR. CHAIRMAN: 3.(c)(3)—pass.
The Member for Portage la Prairie.

MR. L. HYDE: Mr. Chairman, I would just like to ask you, sir, when I could discuss the Manitoba Home for Retardates. Would it be down in (e)?

MR. A. BROWN: Right over here where it says Portage la Prairie.

MR. L. HYDE: Very good.

MR. CHAIRMAN: 3.(c)(4)—pass; 3.(c)(5) - the Member for Rhineland.

MR. A. BROWN: The Financial Assistance - it says clients behind there - this is \$4,042,000, this is the money that would be spent in training these people?

HON. M. SMITH: No, the training was the (3); this is Item (4) and it's actually per diems that are given to the residences, 42 residences in the community serving 306 residents. There's also four residences with an extra capacity of 30 that are in the process of opening.

These residences receive per diems for their retarded adults in relation to their need level, the requirement they have for social skills development and self-help skills and there is a carefully reviewed per diem; and so the residences, in a sense - they only get the money when they have a bed occupied and they would get paid on the basis of the level of need client that they have.

MR. A. BROWN: These four new group homes or whatever you want to call them, you said they were in the process of opening. Have places been found for them yet? If so, could the Minister tell me where they are going to be located?

HON. M. SMITH: WinnServ, the 181 Oxford Street, which you know had a bit of a rough time through the city zoning, but after a few appeals and so on and a lot of community support it has finally received the go-ahead - eight beds there. That's operated by WinnServ.

There is another six-bed home operated by WinnServ. We haven't a location yet. This sort of project has been approved in principle, but the specific location hasn't been determined.

There are nine beds approved for Gimli, and seven in Selkirk.

MR. CHAIRMAN: 3.(c)(3)—pass; 3.(c)(4)—pass; 3.(c)(5)—pass.

3.(d)(1) Vocational Rehabilitation: Salaries, 3.(d)(2) Other Expenditures, 3.(d)(3) Financial Assistance, 3.(d)(4) External Agencies - Madam Minister.

HON. M. SMITH: As I said earlier, the Vocational Rehabilitation services are tightly linked to the community residences. We have an assortment of workshops and day activity programs throughout the province: 24 occupational activity centres, three evaluation and training centres, three sheltered employment businesses providing special workshop programs. This is not a sufficient network to meet all the needs, and we will require expansion going hand-in-hand with the movement out of North Grove. Again depending on the ability level of the person, they will receive assessment and training and, wherever possible, job placement in the community at large.

MR. CHAIRMAN: 3.(d)(1)—pass; 3.(d)(2)—pass; 3.(d)(3) - the Member for Rhineland.

MR. A. BROWN: I see that under this particular item that assistance is given to the physically and mentally disabled. I suppose a part of this item, this \$4 million, would be going to either one of them. Can the Minister give me a breakdown between assistance going out to the physically handicapped and to the mentally disabled?

HON. M. SMITH: Mr. Chairman, this is one of the elements of the total system that is still in a bit of patchwork situation, because mentally ill people come under Health. It has been debated as to when they move out into occupational activity centres, should they come under Health or should they come under Community Services. At the moment, we are moving to co-ordinate these types of services through our Social Resource Committee.

We are funding Doray and Eden out in Winkler, but I think the other centres which deal with post-mentally ill are funded by Health. Sometimes, in the smaller centres, you will get the same clients in together, but it is still debatable whether it's appropriate to mix, because in general the post mentally ill have a higher functioning, but are less able to take stress or perhaps less predictable in terms of steady work output, so their needs are somewhat different, but, as I say, it's an area that we are undertaking a review and consultation with the volunteer groups in the field to see if we can come up with a bit of a blueprint for the future.

We do operate under a cost-shared program from the Federal Government, it's been in since 1958, and it is getting a lot of critical review by consumer groups right across the country and by advocacy groups. We are in the middle of a three-year renewal of that agreement, so before we know it, we will be looking at its successor and we would like to develop a bit of a perspective on that so we can play a role in perhaps influencing some changes in the federal funding.

MR. A. BROWN: I was not aware really that Eden was receiving any assistance from Community Services. I

thought the total thing was being financed, other than through churches, by the Department of Health.

Can the Minister tell me which portion of Eden would be financed under this, which program?

HON. M. SMITH: We will secure that information for you as soon as we can. I don't have the specific breakdown at this moment, but we will get it for you in a few minutes. We generally pay a monthly fee for each disabled person. We cover transportation as well as the day activity.

MR. A. BROWN: I suppose ARM Industries in Brandon would be also funded either under this or under the next particular item. I wonder if the Minister can give me an update. They were in considerable difficulty over there in the beginning of the year. Has that difficulty been resolved? Are they now more or less solvent or what is happening with ARM Industries?

HON. M. SMITH: ARM was run by a private board and they were operating one of the business-oriented workshops where they attempted, through securing business contracts, to break even or secure a slight profit. They also had a training and assessment portion.

Partly because of the declining economy in the last few years and partly because of Brandon being a smaller centre than Winnipeg and finding it a little more difficult to get an appropriate mix of sub-contracting to do, they were accumulating a deficit. It was not only accumulating, but it was accelerating in its amount and the board were getting worried that they might have personal liability for that debt; so they were very eager for us to resolve that problem.

We had backed their debt for a couple of years, we were concerned too, because the situation was not improving, so after prolonged negotiation we dissolved that board as of December 31st last year and are now running it directly by the government. The future of the workshop is open for decision. We're trying to manage the financial side of it initially and then make a thorough assessment as to what its future is.

It's true that some of these types of activity centres can operate as a business - they can when times are good and they may encounter some difficulty when times are bad, but they operate near the break-even level, but others, because of the nature of their personnel or of their workers, some of the more highly functioning people are moved on into community-based jobs, so they're almost always dealing with people that are learning skills or fairly limited in their ability to learn skills, so expecting full productivity from them is a problem.

We have appointed a negotiator to plan for the orderly repayment of debts. As of January 3 this year, all creditors of ARM Industries are to be paid. We issued \$17,000 in repayments before the end of 1983 and \$80,900 was issued in trade credit or repayments before the end of '83. One hundred and eighty-four thousand is committed in the current year to pay the operating loan of \$110,000 and mortgage payment of \$73,000; \$145,000 is committed in fiscal '85 to make second payment of the mortgage and approximately \$30,000 is committed for fiscal 1986 to meet the last mortgage payment.

I have some more information on the type of business contracts that they're currently operating on. There's been no risk or venture capital expended since January 1 of this year. The largest manufacturing and assembly contracts have been for summer picnic tables, including some large orders from Canadian Tire and from Home Hardware.

A number of smaller contracts have been secured, including engraving, a cafeteria operation sub-contract at the Brandon Mental Health Centre. As at the end of May, it is estimated that the income generated from contracts could carry the sheltered employee payroll into August '84. Securing the contracts is, of course, a high priority for the organization.

MR. A. BROWN: Is the department ever helping these workshops with marketing? I notice that in Altona, where they are making stepladders, they have quite a surplus of stepladders on hand at the present time and it is a big concern of theirs. Is the Minister's department giving any assistance with marketing, or are they entirely on their own?

HON. M. SMITH: When I was in my previous ministry, we spent quite a lot of time treating it as a small business and loaning them a business consultant who could look on the one side at their management and production methods and on the other side at their marketing. There were quite a few leads followed up on and quite a few recommendations made, but the combination of slow market and accumulated deficits just made it a situation that could not be resolved. There was the potential of a large sale if there had been money to buy equipment ahead of time, but the credit at the bank had degenerated because of the accumulated deficit, so it was too big a risk for the previous board to be able to undertake. That was when they felt that the options available to them were limited and they asked us to assume responsibility.

Certainly, as I mentioned I think last day, we are aware of the workshops which are more successful than others in securing orders and in marketing their product, but it varies a lot from place to place and from the type of workers that are there. However, we do think there is much imaginative work yet to be done in finding partnerships with business and we will continue to promote that. Frank Kovitz from the Department of Business Development and Tourism has been working along quite steadily with ARM, assisting them in their management and marketing side.

MR. A. BROWN: There were a number of outstanding accounts with people who had provided material and other things to ARM Industries. Have those outstanding accounts all been paid now or are there still some outstanding accounts?

HON. M. SMITH: I think I read out earlier that most of the trade creditors have been dealt with, but there is an operating loan from the bank and a mortgage payment that have not. They are scheduled to be repaid over three years. There was some discussion earlier about the trade creditors and whether they would get interest on their debt. In fact, they are not receiving interest. But on the other side, had this organization

been treated like any other small business which would have had to declare bankruptcy. In similar circumstances, those creditors would have only received a small number of cents on the dollar. So I think the conclusion was that they are being dealt with quite fairly.

MR. CHAIRMAN: 3.(d)(3)—pass; 3.(d)(4)—pass.

3.(e)(1) Institutional Mental Retardation: Salaries; 3.(e)(2) Other Expenditures; 3.(e)(3) Professional Training; 3.(e)(4) External Agencies - Madam Minister.

HON. M. SMITH: Again, the institutional services are St. Amant, Pelican Lake, what we are now calling the Manitoba Development Centre. We've had a very large number of beds in this side. As we are attempting to reduce the proportion, we are also looking at improving some of the services there. The staff ratios will go down or will improve slightly at the Manitoba Development Centre as we reduce its population, and there will be some funding for facilities and program.

I would like to pay tribute to the work that has been done by the staff in the institutions over the past years because, as knowledge has given us many more tools to work with the mentally retarded, although there has been a lot of publicity given to moving people out into the community, there has, in fact, been a great deal of improvement going on in the institutions at the same time.

MR. A. BROWN: I notice that we are spending approximately \$200,000 less on Salaries in this particular area. Is that because some of the population already has been reduced and not as many salaries are required, or is there just less staff?

HON. M. SMITH: The salary figure, the difference is largely because of the 27th pay period.

MR. A. BROWN: Out of these - what is it? - three centres, has there been a substantial reduction in population at the present time, or are you just beginning that particular process?

HON. M. SMITH: The totals at year end from 1979 to 1983, they've been showing a gradual reduction, 854, 828, 832, 830, 787. So we did see a substantial reduction in that last year.

MR. A. BROWN: Has any cost analysis been done? Is it going to cost more money to have them out in the community than to have them in institutions or vice versa, or is it too early to tell? Surely you must have some type of analysis on these.

HON. M. SMITH: Rather surprisingly, the per diems work out at less in the community even with transportation and day activity programming. The staffing of institutions becomes - you know, you're dealing with the three shifts. The staffing adds very substantially to the cost.

Again, when services are provided in the community, because they are of a more intimate nature and closer to family and relatives, there is much more volunteer work brought in. But as I say, that is not the motivation

for making the move, but it is, in fact, one of the fortunate results. It is one reason why we have a little bit of flexibility at this time even though overall funding is tight.

MR. CHAIRMAN: The Member for Portage.

MR. L. HYDE: Thank you, Mr. Chairman. To the Minister, there's a heading in our local paper that is very disturbing to me and to many people of our community. When you were speaking to the annual meeting of the Registered Psychiatric Nurses' Association of Manitoba, whereas your program plans to eliminate - or I'll say, move - some 220 patients from the school into group homes. This has created a lot of concern by many residents of our community as to the number of patients that we as a community, a district, would be expected to care for in group homes.

I suppose, Mr. Chairman, my question to the Minister at this point is, will we be expected to house a greater portion of these 220 patients who will be relocated into groups homes? Will we as a community be expected to house a large portion of that exchange of personnel?

HON. M. SMITH: No. It's a good question though, because that might be the interpretation that would be given locally. In fact, the priority by region that we have asked the Central Committee to adopt is the regions where there is most willingness among the local community and relatives to bring their family members back closer to them. So since part of the motivation for moving them out of a big institution is to facilitate that kind of communication with relatives and family and community, it would be counter-productive just to move them into the Portage vicinity unless there were, in fact, family groups there who wanted to arrange for their family members to live in group homes.

MR. L. HYDE: Mr. Chairman, you just dealt previously, speaking with the Member for Rhineland, in regard to the cost of this program. I am of the opinion - I believe it's the opinion of many people - that your proposed new program, whereas you'll be establishing these here group homes throughout the province, the cost is just going to be unbelievable - the cost of this program.

We all know that these patients have been established in the Manitoba School for Retardates for, I guess in many cases, all their lives. I just can't believe that you can move these people into small group homes, and expect them to receive the much-needed care that they have been getting and expecting from the staff of the Manitoba School, expect them to have that training and care that they'll be needing when they get into group homes, into small homes.

HON. M. SMITH: I sympathize with that approach because it seems to make common sense, but when you dig a little deeper into the costs and the factors, you find that in fact is not the case. Running a big institution through shifts and with the kind of staffing that's been there, heavily oriented towards what we call the medical model, it runs fairly high. With some of the new developments in learning theory and successes in assisting retarded people to becoming more self-sufficient in tending to their daily needs and

in building relationships, they're finding that people can be helped to do more for themselves. It's not something that was envisioned when the medical model institutions were developed, but it is in fact a reality now, and there are examples of quite profoundly retarded people out in a mixture, foster homes, supervised apartment living and group homes, that have been enabled to function very well.

There is a skill of what we call developmental training - behavior, management, social skills and so on - that is the more highly needed skill and that can be provided, partly by training staff in the community residences and partly by having visiting specialists come and assist the staff in those skills.

In terms of which people would leave the Manitoba School, it's not anticipated that the current residents of North Grove would necessarily be the ones that would move out. What there would be would be a reduction in new people being admitted to the Manitoba School, to account for some of the decrease in number, and the identification of some within. Now there's a great range of ability and characteristics of the people who are in the Manitoba School and it's been demonstrated already.

Quite a few can make the transfer, if the appropriate mix of support services is there. We've added up the costs, the per diem of having them in the institution over against the per diems of having them in a variety of community settings, with the transportation day activity and support services and it does work out as achievable.

We have put an extra \$500,000 in community mental retardation and an extra \$200,000 in vocational rehabilitation to be sure that we can provide the support services to make this transfer of residents a reality. As I say, the pace at which we will be moving won't be so great that, if we discover along the way that it's not working, we couldn't slow it down or go into reverse; but there is enough success in the field already, with community-style residences, that we feel quite confident that it's a realizable goal. There still will be over 900 institutional placements. We're just reducing the total number from over 1,100 to over 900.

MR. L. HYDE: Mr. Chairman, it's difficult for me to accept all that the Minister is saying. When you speak with the people who have been caring for these people for years, they've been working at the Manitoba School for Retardates, caring for these people and they just can't visualize this turnover happening, as an advantage to the patients. They just can't see it happening.

First of all, for the majority of people that are patients in these schools, they require 24-hour care and you can't convince these people that they're going to get it. They're not going to get that care that they've been needing. When they put them into group homes of - I don't know what numbers you're speaking of - eight, ten or a dozen into a group home, I don't know. We don't know what's going to happen with this program, what your plans are. But it's very difficult for anyone, as I say, who has been working with them, to accept this new idea.

The cost factor, it will be very interesting for the taxpayers of the province and for communities to find out in the near future just what the cost is going to

be, comparing it to the system that we've been so used to over the years.

Mr. Chairman, I want to ask the Minister what is going to happen to the number of employees such as have been employed in the Portage School. What's going to happen to their jobs? Are they going to be out looking for a new field or what's going to happen? Are they going to be turned out and away from employment?

HON. M. SMITH: There are several factors relating to the number of jobs; one is that there will be a slight improvement in the staff ratios at the school; the second is that there is quite a turnover in the Manitoba School and just by attrition, there will be a reduction and the numbers can be achievable. We're not going at a hell-bent-for-leather pace. The 220 over three years is not going to alter the staffing required at a rate that's much greater than what we are currently dealing with just in attrition.

The field of psychiatric nursing is one where the needs are shifting. For example, there's a growing need for their skills in geriatric services, which are going to show an increasing demand for some time to come as we get the rapidly increasing senior citizen population, so that field will alter. But the requirements are being studied very carefully by the Health Department through the O'Sullivan Committee that's looking at the health needs, health training needs throughout the province and we're keeping in contact with them and we'll attempt to mesh our planning with theirs, but I think the changes will occur at a slow enough pace that adjustment will not be too difficult.

Back to the original part of your question though, I can understand staff who've worked in an institutional setting being apprehensive about change because they see the services delivered a certain way and I guess there's a tendency of all of us to think that's the one and only way it can be done. There have been, I guess, increasingly in the last 10-15 years, volunteer groups in the community who have been applying some of the new learning theory and technical aids and so on, in small groupings, and have found that they can enable people to live in a more community-like setting.

Now some of them maintain that no one should be in an institution, that it only produces a more dependent behaviour than they might otherwise exhibit. Others say, well, there's always going to be a fair number for whom that's the wisest and safest setting, but there are other who really could, with appropriate supports, have the benefit of being more integrated into the community, out and about more among the general population, exposed to more variety of recreation and of just variety in their daily life. If, in fact, that form of enriched life can be managed and the cost is not that different, why shouldn't they be entitled to that option?

What we are proposing is a slow transition to more of that option but, as I say, we are not going so fast that we can't evaluate pretty carefully as we go. The decision won't be irreversible if we find it isn't working, but signs are now that with good planning and with due attention to the variety of needs that people have, that we can successfully achieve this amount of downsizing of the institutions.

MR. L. HYDE: Mr. Chairman, not for a moment am I saying that people who are presently housed in the

Manitoba School for Retardates are not and shouldn't be included in our society. Now I can name you some individuals, who I know personally and have known them through over the years, that associate themselves with the business world in Portage at their level and are being accepted that way. I can refer to the ARC Program in Portage. Why I venture to say - I haven't got the number - there is possibly two or three, maybe up to 30 people employed in this ARC industry - I haven't got that figure but I guess that would be close to it - that are doing good work and are fitting in. They are bused to the place of employment, they are cared for, they have their little dinner and lunches with them and are picked up at four o'clock and are back to their homes.

I am not for one minute saying that all should be housed in the institutions, but I am saying that there is such a percentage of these people who will never see outside of the walls of that school, will not see outside of that. They shouldn't if they are.

HON. M. SMITH: There are 787 currently in Portage and we are talking about 220 reductions. So you see there would still be 567 places.

Again, I guess I remain open; I have followed enough of the development of theory and practise in relation to disabled people and I have been amazed at what the developments have been in the last few years. In some cases, it's technically to deal with people with rather serious physical problems; in other cases, it's different ways of teaching and recognizing how retarded people learn. There are upper limits, surely, but they are much higher limits than were previously thought.

So I think what we have to do as a society is be willing to have people live in the least restrictive environment. If we go about it carefully and thoroughly and make sure we are monitoring, again, we have set a target, we have set a process up that we think is responsible and that can accomplish it, but we want people to have the best care that they need. So if there is any development along the way that says this isn't working or go slower, we will respond to that; or if indeed we find that it is succeeding beyond our expectation, we might look to accelerate. So our approach is to go forward carefully and thoroughly, but to try to provide more options.

Right now there is very little choice beyond the few community placements and the institutions. We would like to see a greater range of options to meet the rather wide variety of needs that our retarded population represents.

MR. A. BROWN: Well, Mr. Chairman, I think my final question will be to the Minister. I am asking her just how does her department expect to acquire suitable locations for these group homes. How are they going to go about doing that when I have right before me, "Jubilee Group Home blocked by residents." I suggest to you, Mr. Chairman, that this Minister and her new program is faced with this question more than she probably realizes.

HON. M. SMITH: There is a problem of community acceptance, but it is not an insoluble problem. The very home that the member is referring to did find a location

in East Kildonan. The home on Oxford Street had several go rounds with the community and with zoning, but it has now been approved. There was commotion up in Virden over the location of a home. It has now been approved.

One of the processes that we feel we must pay a lot of attention to is raising the awareness of the community. Nothing seems to succeed like success. The best advocates for the retarded in the community are people who live near them and say well, we were a little apprehensive at first but they are there, they are now members of the community, and we are having no problems. We are getting increasing numbers of neighbourhoods where that is the experience.

I feel that we have to face up to the fact that as a society we did put our mentally retarded off away with the best of intentions, but in big institutions out in the country in a sort of park-like setting, and most people are ignorant of what the needs and the characteristics of the retarded are. They don't see them in their daily activity. They are out of sight, they are frightened and ignorant, and I think that is where gradual exposure, a lot of opportunity for the community to ask questions, to visit some of the homes that are operating and get to know the mentally retarded people is required.

We recognize that process. That is why we have said the regions that will get priority for the initial development of alternative residences will be the ones where the receptive spirit, if you like, is at the highest. This is where we do need the advocacy groups, the parent groups, volunteers, because they have accomplished far more than government ever could in raising the awareness and developing that welcoming spirit in the community. I, for one, have a lot of faith in their will and ability to do that.

I was, Friday afternoon, at the Special Olympics for a couple of hours handing out prizes to mentally retarded people who were running and jumping and they were going a lot faster than I could, I will tell you, and probably getting 10 times the pleasure out of it. I don't think any olympic winner took more pleasure in their success than those people did. They are being brought right into community recreation activity, hundred of volunteers there and 500 people participating. I, for one, just feel very heartened by that type of development and I think we have just seen the beginning of it. I think it can go on and on.

MR. L. HYDE: Certainly, it is a wonderful thing to be able to see these people progress to the levels where they can handle - we want them to see them do that.

I think, Mr. Chairman, I have asked the questions I wished to but there is one that I wonder if the Minister can give me the answer to. In their plans, what is the number of patients that are going to be allotted to each group home? Is it going to be six, is it going to be greater numbers than six, or what is the size of their group homes? This is a question that has been put to me, are we going to be looking to big homes throughout the different communities, sectors of our cities, or what numbers are going to be cared for in each home?

HON. M. SMITH: We have done our costing on an average of six, but included in that will be foster homes where a couple could be a co-operative setups and

some possibly groups homes a bit larger, but we are not looking at probably more than eight.

There are groups in the community who say even six or eight is too large, but as I say, we've built that in as an average costing figure. So it is not a huge development we're looking at. It is a smaller, more intimate setting with a foster parent type of arrangement, a live-in couple as it were, with some shift staffing as support.

MR. CHAIRMAN: 3.(e)(1) - the Member for Rhineland.

MR. A. BROWN: I shared some of the Member for Portage la Prairie's concern. We all remember a number of years ago when these mental retarded persons had no place to go. They were hanging around in the stores and on the streets. Now we have programs for them where, by and large, they are in some sort of workshop or some kind of training program. These have worked out very well. I think that, by and large, the retarded people, they feel quite happy about having a place where they can go to work. They feel as if they're useful members of society.

So I also have great reservations that someone that is working in a workshop now is going to be placed somewhere where he will not have that type of opportunity, and will again have to roam the streets or spend his time in the store every day or whatever. That certainly is a great concern.

HON. M. SMITH: I would share that concern if that, in fact, was what we were recommending, but I think what we've been saying is that we are moving people in their residential setting out of an institutional setting. That's their living place, but we are co-ordinating it with planning for day activity and workshop activity, transportation to and from medical and support services, because we realize that it is a co-ordinated approach that is required.

We also see a component of respite care to enable people to keep their relatives at home if they wish. Up until now, there is a bit of respite care. You can get a lot of money if the relative is - or at least the institution can - put in an institution, and almost none if they stay at home. Whereas we're saying, if we have a flexible allocation of resource, increasingly people will be able to make a real choice either to keep them at home with some help, move into a neighbourhood setting where they get some ongoing support in their residence and some day activity, but where the relatives are close enough to spend some time with them and take them out. It's a question of having that flexibility in funding, and a great many more options in terms of living arrangements.

MR. A. BROWN: I see the problem. There is no doubt about it that we should do more for the family that has a member of the family that is mentally retarded. Possibly this person could be staying at home if some kind of funding or day care or whatever arrangement was made, so I agree with this. It's just that there is that particular concern that, hopefully, we will not be seeing these people on the streets again.

St. Amant Centre, of course, has the very severely handicapped. I wonder, are there any statistics available

that there are less of these severely mentally-retarded admissions than what there were, let's say, 10, 20 years ago? In other words, are we making any improvements as far as obstetrics is concerned? Do we have some kind of preventative program? That is really what I'm getting at. Is there a lesser number of these severely handicapped being admitted?

HON. M. SMITH: There you have one of the paradoxes of improvements in medicine, because on the one hand we are increasing our ability to identify birth defects and conditions that might lead to them and produce safer deliveries and so on. On the other hand, we are increasing our ability to keep premature babies alive and to nurture babies who are born with multiple handicaps, who in earlier years would die possibly in their first few days. So we are seeing an increase in the numbers of disabled.

At the other end, we are increasing in our ability to introduce those people to a more varied and satisfying life, but none of that is going to occur without expenditure. I guess at some point in time, it will become a kind of human rights issue whether people are entitled to the optimum sort of educational and living opportunity that they are capable of, but we are quite a long way from achieving the best that we know how to do now.

The short answer is that the numbers of profoundly and multiply disabled are showing increases because of improved medical treatment. So we have a lot to learn about what is going to be the best way to treat those.

There is quite a diversity of opinion out there right now. Some say they must be kept in a very low stimulus environment in a hospital setting, almost in crib care; other people say that, no, they can be taken more into a home setting, and there are teaching methods that can be used to enable people to handle them effectively. I think we are going to see a fair bit of debate about the most appropriate care. I think from our point of view, the most prudent thing to do is not to be doctrinaire about it, but to keep a lot of open dialogue going.

There will probably be a lot of diversity. Therefore, who chooses what is the most appropriate care will become an important issue. Families will have to make decisions about whether to leave children in hospitals or bring them home, and they are going to need very sensitive counselling. So I see the services to the families of the mentally retarded as a very important component in the years to come.

Also the retarded, particularly the less profoundly so, are also speaking up on their right to have input into decisions. They claim that they are able to express opinion, feeling, preference more than we usually acknowledge. That's going to be another challenge to our system, how we can incorporate that in. So there are a lot of issues around with which there will continue to be debate, and I think that's a healthy sign because that is often how progress is achieved.

MR. CHAIRMAN: 3.(e)(1) - the Member for Rhineland.

MR. A. BROWN: Are there any statistics between rural and City of Winnipeg as to numbers? The population

is fairly equal between city and rural. As to either, are there more mentally handicapped people coming from the rural area than what there would be from the city, mainly because specialists and obstetrics are not available readily in the rural area, especially in the North?

HON. M. SMITH: We don't have those statistics available here, although I suspect we can get them. I think there was a fair bit done on the Maternal and Child Care Study of that very phenomenon and certainly, where you get poor nutrition or poor care at delivery or pre-natal care and often, just immediate post-natal care, you do get more complications, but we'll try to get what data there is.

Again, that's part of the system. In a sense, it's been reacting to demand rather than trying to develop a more systematic and preventive approach, not that we'll ever prevent it all, but the health field has been working, certainly, on genetic counselling and improved obstetric care and nutrition for pregnant women and so on, all of which is connected, but we have yet to get it into a fully co-ordinated system.

MR. CHAIRMAN: 3.(e)(1)—pass; 3.(e)(2) - the Member for Rhineland.

MR. A. BROWN: I notice that (1) is Salaries; (4) is External Agencies. What is the Other Expenditures for? I don't want you to go into great detail.

HON. M. SMITH: That provides the general operating costs of the institutions. That would be all the maintenance, food, clothing, and heating.

MR. CHAIRMAN: 3.(e)(2)—pass; 3.(e)(3)—pass.
3.(e)(4) - The Member for Rhineland.

MR. A. BROWN: I'll go back to the same old thing again. If that is the operating costs, then what is (4)?

HON. M. SMITH: That's the grant to the St. Amant, because it is operated by a private board. Pelican Lake also falls into that category. The main one that we operate is the Manitoba School and then the others, we give grants to them based on per diems for the people that they deal with.

MR. CHAIRMAN: 3.(e)(4)—pass; 3.(f)(1) External Agencies: Salaries—pass; 3.(f)(2) Other Expenditures—pass,
3.(g) General Purpose Grants - the Member for Rhineland.

MR. A. BROWN: Is this more or less a slush fund or what is this particular item used for? Is this grants that are not covered under all the other grants or what is this item all about?

HON. M. SMITH: I wish it were a slush fund. It's very heavily spoken for. I'll just list the groups that receive it; generally advocacy groups who are out there raising the consciousness of people and often providing some direct service.

The Brandon Citizens Advocacy works like a Big Brother, Big Sister service to handicapped people,

mentally handicapped, and that's \$10,300.00. The General Purpose Grant to the Canadian Council on Social Development of \$5,200; to Citizens Advocacy Manitoba, Inc., this group recruits, trains and matches volunteers to work and, again, a day-to-day basis and assist a mentally handicapped person, \$25,000; Social Planning Council of Winnipeg, \$48,400, and again, it works to identify community needs and promote the co-operation of public, private and volunteer sectors; the Thompson Crisis Centre - this works with individuals who are victims of family violence, sexual assault, emotional trauma - it receives \$77,500; Volunteer Centre of Winnipeg, \$12,600 - again, recruits volunteers and helps match them to various community services; \$20,600 to Women's Crisis Centres. This is sort of a maintenance service to the centre so that they're there, then they receive per diems through the Social Assistance ES Department for the actual per diems; Committee on Wife Abuse of Manitoba, \$189,500 - again they're developing counselling, support system, development of community awareness.

Another, Community Projects, which developed during the year, we had \$13,000 last year for priorities that emerged during the year and we have \$20,000 in that this year. There's a repayment on the old Grace Hospital. You may recall we converted that a few years ago into usage by Community Services and there's \$20,300 for that; and then a group of grants to Indian and Metis Friendship Centres. There's 10 of them that we support, in Brandon, Dauphin, Flin Flon, Portage, Selkirk, Swan River, The Pas, Winnipeg, Lynn Lake, Thompson and Riverton.

MR. A. BROWN: Is this the area where we would be discussing crisis centres and wife abuse or is that going to be coming under another item, under Child and Family Services?

HON. M. SMITH: I think it's appropriate to discuss it here. It's perhaps something that should, in time, find a place under Child and Family, but it's like a lot of those problems that come to Community Services, they've only just acquired a group to identify the problem and promote programs to support it. It doesn't seem to be exactly that the problem is new, but the will of the community and the awareness of the community to do something about it is new, so we tend to put it here until we sort out what's the best longer-term funding arrangement.

MR. CHAIRMAN: 3.(g) - the Member for Kirkfield Park.

MRS. G. HAMMOND: I have a question about the crisis centres. I believe the funding was \$189,500 - the Committee on Wife Abuse.

HON. M. SMITH: Yes, that's just for that particular committee. There are, in addition, grants to specific centres and to services in the different regions. We've given some of them short-term grants to carry them over. A lot of them were receiving federal grants that come in on a three-year basis on a diminishing rate and then they come to the province and want us to pick them up. We haven't been able to pick them up on that same level of funding, so what we've done is

given them some interim funding to get them through to the fall and then we've required that they work in co-operation with our regional staff to develop a co-ordinated program of public-private volunteer to meet the need in the area and try to get a co-ordinated funding approach.

MRS. G. HAMMOND: The Committee on Wife Abuse in Manitoba, I understand, has one rural worker. Are there other people out in that field? When you talk about regional services, what are they doing and are they working the same field that the rural worker would be working for the wife abuse?

HON. M. SMITH: I understand how confusing it is. The department has Health and Community Service Centres in the regions. Again, if you can think of the government delivering directly the kind of social services that tended to develop in the town and the cities through volunteer church groups, which later became funded by government but were operated often by private boards. In many of the rural areas or smaller towns, those services didn't develop spontaneously. So at a certain point in time, government offered them with direct staff delivery.

So when I talk about regional - if you took Dauphin for example, we have Health and Community Service workers in the Parkland area. What we have asked the local volunteer committee on wife abuse to do is to work with that staff and see if, in their task of dealing with health and different community services, they can't find some ways of co-operating so that there is a 24-hour crisis line support, some counselling referral. Maybe some things would be done by the private group and some by the staff, but we feel we have to put a lid, if you like, on the total amount of funding that can be made available, so we are in a sense requiring that they develop a way of working together.

MR. CHAIRMAN: The Member for Kirkfield Park.

MRS. G. HAMMOND: I would like to ask, Osborne House, how does that funding occur?

HON. M. SMITH: It is funded under the Economic Security, what was Social Assistance in this department, based on per diems for people who actually stay there. The big debate, of course, that has been going on with women who work in the field is - it's funded under CAP really, the cost-sharing with the Federal Government - that CAP has always required needs testing, and needs testing is not something that is very compatible with meeting the emergency needs of someone who is escaping an abuse situation. Yet, we are reluctant to give up on the CAP funding without trying to see if we can't manage it another way.

Appropriately, it shouldn't come under my department. It's just that the wife-abuse issue, we've been looking at it in a joint way. What we are hoping to do now is at least look at a woman who would come in, in terms of what resources she has with her, not in terms of family resources. If you start to put another financial obligation on the family at the time that the family is experiencing severe inner stress, you may only add to the complications for the woman. I guess it's

a question of the funding mechanisms not evolving quite as quickly as the program needs.

MRS. G. HAMMOND: Do the safe homes then come under your department?

HON. M. SMITH: Any component that requires support for the volunteer committee that provides the network of safe homes would come under our department, but the per diems for nights actually spent in the safe homes would get charged through the Social Assistance, Economic Security.

MRS. G. HAMMOND: The people who provide safe homes, are they paid?

HON. M. SMITH: By virtue of the per diems, yes. So that would cover their out-of-pocket food and shelter.

MRS. G. HAMMOND: Are the per diems the same for safe homes as they would be for Osborne House?

HON. M. SMITH: That would come under Economic Security again. There are variations relating to municipal levels of welfare assistance, and provincial. You see, these homes, Osborne and so on and there's a Brandon shelter now and Dauphin - no, Dauphin doesn't have its own shelter - The Pas and Thompson, they have all developed at different times, and there's been no co-ordinated approach to funding. That's why what we are trying to do is rationalize the whole area and get a common policy.

One of the real complicating factors - and the people in the field who have raised the awareness of the problem have been working very hard the last couple of years. They have also managed to get these federal grants which are great as far as they go, but they are three years. They are on a diminishing basis, 100 percent of need the first year, two-thirds the next, one-third the final, on the assumption that alternate funding will be found. The result is, they come to us for the alternate funding, and that at a time when we really aren't expanding our services so much as trying to maintain, you know, in tough economic times. So it has produced a particular problem for us. Yet, the need is a high priority need.

So we have been trying to find the most dollar-efficient way, effective way as well of dealing with what is admittedly a very serious social problem.

MRS. G. HAMMOND: Is the government considering putting these two in the same department, because it seems to me that to have a Committee on Wife Abuse and Crisis under one department and the shelters under another doesn't seem to make much sense? Here is an area that needs to be well-co-ordinated. I find it very difficult to see them in separate areas.

HON. M. SMITH: I think that's one of the options down the road. Because of the way in which these demands come upon us, we aren't always able to make that kind of a rationalization quickly. So what we do instead is set up an interdepartmental work group to make sure that we have a co-ordinated approach that way and through our Social Resource Committee of Cabinet.

Wherever we find overlap or some sort of issue that cuts across the social departments, we review it in that committee. We are trying to ensure that our policy directions and our funding principles are compatible.

There are two ways you can do it, either by having a method of co-ordinating or by putting them all in one department. We are looking at both options. In the meanwhile, we are co-ordinating through a working group.

MRS. G. HAMMOND: I would just like to ask another question on safe homes, and I realize this isn't your department, but you are part of the co-ordinating committee. Rather than the safe homes, are they considering shelters such as Osborne House that would service a number of towns in a certain radius, say, 15, 25 miles?

HON. M. SMITH: Probably, if we had been planning it from the government end, we might have come with that proposal. As it was, the committees that were identifying the need and improvising on a shoestring, came up with this idea of a network of safe houses.

The virtue of a safe house is that you only need to use it when you need it and in the meantime there is no additional cost; whereas if you set up a residence that has to be maintained and operated with heat and hydro and all the rest, regardless of whether you have any occupants, and you can never run it at full occupancy, or you don't have the flexibility to deal with the emergencies. So in many ways, given the level of need and the fact that it is fluctuating over time, the safe home network has been a remarkably innovative approach in most of the rural areas. It is probably only the big centres of population where the settled residents with all the overhead can really be justified. I think we have stumbled on a good pattern, which is a mixture.

MRS. G. HAMMOND: From what I can gather from talking to people in the field, it is a stopgap measure and that the women who are forced to leave their homes really need the support of other women at that time in similar circumstance, and that they are almost sheltered and hidden away in the safe homes.

So rather than see the government heading in that direction, I think there should be certainly more study done in that direction because it's a stopgap measure at best, and possibly not the best route that they should be going. In fact, I think that shelters should be looked at for some of the communities to see if you couldn't have them going, as I say, from a number of towns into one area because the safe home concept, while it will give immediate shelter, doesn't give the same support that women need at that time and I think is probably only a stopgap.

HON. M. SMITH: I agree that, in the long run, we need more of an integrated set of programs. The shelters in the larger towns could well become not so much emergency as sort of transition homes where the women who don't feel they can go back to an abusive setting will be seeking legal help, counselling, education program, employment training or whatever.

Again, the programs that will try to get at the roots of violence in the home and deal with that, are all things

which are desirable, but I emphasize, and I know that the members opposite will comprehend this, this new need, a new set of services has emerged at a time when we are struggling to maintain the services we have. The economic downturn has made maintenance of programs difficult and expansion extremely difficult. So what we are looking at is ways of linking existing programs, opening up access, providing the necessary support services as flexibly as we can, rather than setting up too many distinct and separate programs in the field. We wouldn't be able to sustain them in the longer run. So we are moving prudently and hope to get from a stopgap situation into a more co-ordinated program, but I think to have moved too hastily and have committed too many dollars when we would have been robbing something else to do that, would not have been responsible either.

I should just point out that the reason the shelter costs have had to stay in the other department is that the funding is cost-shared under CAP and they do require needs testing. It's the only way we can access that federal money and we feel, so long as our overall policies are co-ordinated, that it would be foolish to move it out of that program at the moment, the shelter component, and yet it's not necessarily the best location for the overall program.

MRS. G. HAMMOND: During question period today, Mr. Chairman, there was the question about legal aid going to a prisoner about his phone services, and when I see that sort of thing and see the type of thing that women are having to put up with, and it seems to me that jails are nicer than the shelters, I just find that there are probably areas that the Minister should be taking a good look at and try to pick up some of this money.

I think it would be a far more popular program to take money that is expended in this way for legal aid, for prisoners talking about their phone bill, and put it into services for women who are in need. That is just one indication.

Certainly, the advertising of the Jobs Fund is another area where there are funds that should be expended in this way. I think that the Minister means well. Meaning well just isn't good enough, and I think that there is money there that is being put out in many ways that should be aimed at a program such as this.

MR. CHAIRMAN: 3.(g) - the Member for Rhineland.

MR. A. BROWN: If I understand the Minister correctly then, the Federal Government has been starting this type of program where they give the funding for a three-year period; the first year they will fund 100 percent, the next year two-thirds and the third year only one-third. Is this correct?

HON. M. SMITH: I am sorry, I was distracted for a minute.

MR. A. BROWN: I will repeat my question. The funding, as I understand the Minister, the first year it is 100 percent from the Federal Government, the second year it is 66 percent, the third year it is 33 percent and the fourth year it is no funding at all. If I understood this

correctly, then surely there must be a better way of working out an agreement with the Federal Government as to funding. Is the Minister working on this with the Federal Government?

HON. M. SMITH: Yes, there are two programs that the Federal Government has been using, Canadian communities service programs and I believe last year some of their work development programs. The work development programs were on a one-year basis with it being unclear as to whether they would carry on and these community service programs are on the three-year declining base.

We agree that funding social service programs in that way is not the best and we have written letters to several of the Federal Ministers and did raise the issue quite forcibly at the meeting of the Ministers, the Status of Women, a week or two ago down in Niagara-on-the-Lake; a meeting that I attended for my colleague, the Minister in charge of Status of Women, and where I did personally, individually and at the general meeting, raise that concern.

I think the other side is to try and work on the CAP funding but that is a huge program and it's a longer-term type of influence that we might have but we would appreciate any support in trying to get the Federal Government to develop a more realistic and planned approach to meeting this need. I think women's needs have been very under-recognized and undermet throughout history, I guess. That is why we are getting such a lot of stress and strain out in the community at the present time, but I think there is no substitute for patiently working it through and trying to build a system that has some coherence and logic to it so that we can indeed sustain it in the years to come.

But back over the suggestion that we are somehow making our jails situations of luxury and that the women's shelters are horrible by comparison, somehow it doesn't square with my personal experience of the prisons that I have been visiting. Maybe I haven't been to all the shelters yet, but I just wonder if the member has, in fact, been through some of the Manitoba jails recently to back such a statement.

However, I respect that she also is trying by that example to dramatize the fact that there are many women out there in the community who are in fear and in desperate need, and should not have to put up with abusive situations in the home. I think we'll be working very diligently to try to produce a program that really does begin to meet those needs.

MR. A. BROWN: The reason why I was posing that particular question was that, between the Towns of Morden and Winkler, the Federal Government, I believe it was, last year under a work development program, they paid for one person to organize and set up some type of organization so that you would have a safe home, which they did. But this year, there seems to be no funding, or the funding ran out or whatever. Then, of course, they come screaming to the member to come to assistance and to the Provincial Government, I'm sure.

It seems to me if the Federal Government is going to start something, then they also have some sort of obligation to at least partially carry on. I would hope

that the Minister would be able to get some kind of arrangement with the Federal Government on this, so that she doesn't run into that type of program where she has no control over what is started or where it is started and yet is forced into a funding situation.

MR. CHAIRMAN: 3.(g)—pass.

Resolution 37: Resolved that there be granted to Her Majesty a sum not exceeding \$58,765,200 for Community Services and Corrections, Community Social Services for the fiscal year ending the 31st day of March, 1985—pass.

Item No. 4.(a)(1) Child and Family Services, Administration: Salaries; Item No. 4.(a)(2) Other Expenditures.

HON. M. SMITH: The Child and Family Services Division has been undergoing a major change in the Winnipeg component primarily. This has to do with the restructuring of the service delivery from one large organization, CAS of Winnipeg, and two smaller ones, Western Region, where services were delivered directly by the province and CAS Eastern, into six smaller regional boards servicing approximately 100,000 people each.

These boards, in recognition of the importance of Child and Family Services being closely rooted to the community and to the local area, have been put in place through public elections. There are 16 people on each board, three of whom are appointed by government, one elected by staff and the other 12 elected by the community. Nine of the representatives are individuals who live in the area, and the other three are people who work in the area.

Those boards have been elected and are in the process of training and preparing for transition. Meanwhile, an interim board has been carrying on the work of the Children's Aid of Winnipeg.

The funding that will be available to Child and Family Services throughout the province is gradually being shifted towards the preventive and family service end of the spectrum. If you think of Child and Family Services as extending all the way from support for keeping children in their homes, to removing children and placing them in institutions, foster care or adoptive care at the other end. The belief is that with more support services being available to families, the Children's Aid Societies will be able to keep more families together and keep those bonds intact. Again it's a shift in emphasis, not a total change in direction. It is building on a lot of experience and development that has been taking place in the field.

The total funding in the area, there is a degree of extra funding to facilitate the transition, but most of it is being achieved by reallocation of funds. Included in the Child and Family Division is the Day Care Program. Another program that is very important is the Family Support and Preventive Service Program. It, too, is undergoing rapid development, not as quickly as people in need of day care would like but compared to other government programs and our fiscal capacity, quite a rapid change.

We also fund a great many Child Care Institutions and organizations that have a role to play within the total Child and Family Service area, and again are

working to evaluate their program and fund them on as rational a basis as we possibly can.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, has the Minister met yet with the Children's Aid Society staff workers who sent her a petition with respect to the decision of the interim board to take a foster child away from the foster parents. Has the Minister met with the Children's Aid Society workers yet, who gave her that petition?

HON. M. SMITH: I understand there was talk of a petition, but, in fact, none has been forwarded to me and from early on I said I was more than willing to meet with the staff and discuss general policies and procedures and that meeting is scheduled, but has not yet taken place.

MR. G. MERCIER: When will it take place?

HON. M. SMITH: Tomorrow morning.

MR. G. MERCIER: Would the Minister explain why she will not intervene in this case?

HON. M. SMITH: I believe the member is raising a question about a case that is currently before the courts. It's a case that falls under the jurisdiction of the Interim Board of CAS Winnipeg and it's not the practice of government to intervene, nor do we actually have legal authority to intervene in specific cases.

It's my belief that we're dealing with issues that require legislative change, require new protocols. We're dealing with how to make the total system more sensitive to and responsive to the cultural needs, Child and Family Service needs, of the Native community as well as of all the other communities, in recognition of the fact that we haven't, as a society, done as good a job in the past as we might have, not from bad intentions but from state of the art understandings, but that doesn't mean that we should stand still now.

There is much increased recognition of the fact that, for whatever motivation, our Child and Family Service system has, in fact, led to the breakup of many Native families, a very large number, sometimes with their children leaving the province or the country in search of appropriate placements and, again, that might have been the only options open at the time that was done; but I think now, with the great upsurge of desire and interest on the part of Native people to look after their own children, to pull themselves up by their bootstraps, economically, socially, and to play their important role in the Canadian scene, define their aboriginal rights and the whole thing, that we owe it to them to work along with them, to work out the most appropriate Child and Family Services.

It's not going to be something that's quickly or easily resolved. It's going to take time and patience and hard work on both sides. I feel that the particular case referred to is one that has hit us in the transitional period and that the CAS Board are doing their very best to work through that case. I know they've been doing a lot of meeting and working on the policies and procedures and they have chosen to take a neutral

role in the legal battle before the courts and the respective parties are presenting their sides.

I feel that for me to intervene in a specific case is quite inappropriate, that my responsibility is to accelerate the development of policy and procedures that will enable us to deal with, not just the new cases of Native children coming into care, but the case of the 600 or so youngsters of Native origin who are in the system now.

MR. G. MERCIER: Mr. Chairman, the Minister has said she does not have the legal authority to intervene. I would ask her to confirm that when the amendments to The Child Welfare Act that are presently before the House are passed, will she not then have the specific authority, through the Director of Child Welfare, to issue a directive to any agency and the agency must follow that directive?

HON. M. SMITH: That particular bill has not had second reading in the House. I'd be more than happy to enter into discussion of that at that time.

MR. G. MERCIER: Mr. Chairman, that's a bit of a cop-out. The bill is before us; we can all read the bill and we've discussed bills in committees and other departments where they've been specifically applicable to certain situations. That's in fact what the bill does say, that the Minister, through the Director of Child Welfare, can issue a directive to any agency and the agency must follow that directive.

The Minister has talked about being sensitive to the wishes and the aspirations of people. Is the Minister not sensitive to a situation in which every child care worker involved, recommends that the child be left with the foster parents?

HON. M. SMITH: I do think you're trying to draw me into a comment on a specific case which is before the courts. I would like to comment though generally that I think the most appropriate and most helpful role for the Minister at this point in time is to develop the legislation and the overall policies and procedures, so that workers in the field and agencies do have some guidance in dealing with the kind of cases that are going to come up.

There are conflicts in aspirations and in interpretations and waitings. There's a lot can be resolved through negotiation. Hopefully, we will be able to handle most of the cases that way, but I think for me to set a pattern now of intervening whenever there is a court challenge, because this is the case where there was going to be a court challenge on either side, whatever way the decision went, would be not helpful.

MR. G. MERCIER: Mr. Chairman, I would like to know what the Minister considers helpful. We have a situation where all of the child care workers involved in this particular case do not support the decision of the interim board. They all believe that the child should be left with the foster parents. We have a situation in which the chairman of the board has written a letter . . .

MR. CHAIRMAN: The Member for St. Norbert should know the rules in this committee. Rule No. 335,

"Members are expected to refrain from discussing matters that are before the courts or tribunals which are courts of records."

MR. G. MERCIER: Mr. Chairman, I'm discussing, with all due respect, the responsibility of this Minister. We have a situation, Sir, in which the interim board has made a decision - two members of a five-member board have made a decision - that has caused a situation to go to the courts, where all of the child care workers will go to court and testify that the board has made the wrong decision. The board won't even defend the situation. They say they're now going to take a neutral position and it's the foster parents who are being put through hell because of this decision.

They've looked after this child since she was three and one half years old and every child care worker will support the decision. They're being forced to pay a lawyer to go through these lengthy court proceedings because of these decisions; and the Minister is trying to sit here and tell us that she wants to be sensitive to what people want. This is absolutely ridiculous. It's ludicrous. The Minister should ensure that decision of that board is changed or she should replace that board right now. To try to sit here and tell us we can't discuss this case because it's before the courts is wrong. We're here to establish policy and the Minister should change her policy with respect to this matter.

MR. CHAIRMAN: We can discuss policy in general, but certainly not the specific cases that are presently sub judice before the courts.

HON. M. SMITH: I think it is important to talk about the policy issues. The perception of the Native community as to what has happened to their families and their children is something that we may not agree with in fact, but it is a perception. So long as they see it that way, it must be looked at as well.

Their perception is that for whatever reasons, and from their point of view, it is often poverty, poor housing or a temporary difficulty, their children are being taken away and placed in non-Native families; that the children, by and large, are very much more heavily represented in the child welfare system than the population of Native people would indicate; that they are in for longer; that many of them experience multiple placements or don't achieve a permanent placement at all; that some indeed are raised without insight into their cultural background or their Native background.

Their perception is that many encounter extreme psychological difficulties in their teen years when the questions of personal identity and cultural identity surface. Therefore, their perception of rights in terms of care, whether foster parents should have prime right or whether a Native family should, is clearly that a Native family should always.

Now my approach to this is that I can't see any such rule of thumb as that being any better than what we had before. What we want to do is say that culture and the cultural appropriateness should be a factor taken into account by the groups of people who are making decisions about children. Traditionally, I guess, we have all been trained to think that early bonding and prior care is the most important. It certainly is very

important, but we do, when we place children in foster care, move them all the time.

Some foster parents do apply for adoption rights, and I think what I have to work with, with the community of social workers, is what protocol is most appropriate. Should a social worker always check out the desire of a foster parent to have permanent placement or not? If they are not adoptive parents, like what are the parameters of foster parent rights? I think those are the kinds of issues that I have to help clarify, because that is going to govern not just one case but many cases.

Remember we have 600 children of Native origin who are in some stage of transition through the child welfare system. They are wards of the state. They may be in foster homes. Certainly, we feel there is absolutely no reason or right to intervene in an adoptive placement. If a child has been placed for adoption, certainly I can never see us recommending that be looked into, but the prior questions are ones where cultural appropriateness is something that we're going to have to learn how to weigh it.

I, for one, don't know the answer. I only know it is an important factor, and I think social workers will also need to debate that. We'll need to come up with agreed-on procedures. Some issues may require a determination by the courts, because they are not just that clearly resolvable. There is difference of opinion on some issues with Native reserve agencies.

But to put it into perspective, I should point out that Anishinaabe, which is a reserve agency we work with quite a lot, 38 cases have been resolved through negotiation with no conflict between the city agencies and them. That is the preferred route that we want to follow.

Now, as I say, the agencies do work at arm's length, and they try to work out their own procedures. I guess what I would like to see is that we play more of a leadership role in getting those transitional procedures worked out, and I have asked the department and the interim board and the planning committees to address that issue as top priority. They have made a lot of progress on proposed protocols, but they aren't in final place.

The one protocol we have been working on that's proven to be quite effective is when we are dealing with out-of-province adoptions. As a result of the Kimelman Study - I remind you that it was just two years ago that we put the moratorium on out-of-province adoptions, and the recent report by Judge Kimelman where he analyzed 93 cases of Native youngsters being adopted out-of-province showed that in far too many of the cases there was almost no attempt made to look for a Native placement or to check out the extended family or indeed to provide support services to the family that might have been going through a crisis time and could, with a little help, have managed to retain the children. Arguments can go back and forth as to whether he was somewhat harsh in his judgment, but I think he did put his finger on an underlying problem which we are trying to move to solve.

I think from my perspective, one of the most hopeful signs in the Child and Family Service field is that the Native people, in struggling through their particular set of problems, have a renewed pride and determination

to keep their families together, to solve their own social and economic problems. In the long run, that's probably going to augur better for the future of the children than anything we can do on any individual case. So we want to manage our relationships with them as wisely as we can, and build a co-operative approach to caring for children in their families and communities as we possibly can.

Now we know we're going to meet the odd stumbling point, and again I think that if cooler heads can rule, we will reflect on each difficulty that comes along and see if we can't learn from it and so prevent that particular difficulty from emerging down the road. Now I think for me to go leaping into each individual case that comes up and take sides is not going to really help in the long run. I think we're at a kind of watershed change in how we view children and their development.

We are introducing a new factor, and that is cultural linkage. We are not saying it is the only factor, but we are saying we must learn how to fold it into the decision-making of the child care workers. I think it is leadership on that side that is going to be most sought after and most needed from my level, rather than intervention in particular cases.

MR. G. MERCIER: Well, Mr. Chairman, with all due respect to Judge Kimelman, and I do have respect for him, but one of the earliest things he did in his report - he says it was done with their concurrence - but there was originally a review committee appointed with representatives from Children's Aid Society and other groups. Somewhere along the way, this has been developed into a review solely by Judge Kimelman without representation and without comments from these other groups and agencies.

Dealing, Mr. Chairman, with the interim board, then, there have been allegations by staff workers that the members of the board have been making political decisions not based on the professional advice that they have received, and that specifically one board member has been using the board to bring forward specific cases which the unidentified staff worker suggested was a conflict of interest.

Has the Minister discussed those allegations with the board, or had her staff review them?

HON. M. SMITH: Prior to the development referred to, I had met with the board and I had said, "As a board, you are responsible for making your own decisions and for setting your internal procedures for when you take a vote and when you require more information." I think they are wrestling with that process, but it is appropriately their decision in terms of whether they disagree with staff workers, all of them, some of them, any of them, always or once in a while.

A board, by its makeup, is to make policy decisions, and policy decisions are small "p" politics if you like, but they are policy decisions and they are based on values and based on if there can be consensus and everyone can come to agree that is the appropriate decision, fine. If there is division, then there are procedures for handling that much as we do in the Legislature. Occasionally, votes will be taken, but it is up to the board to determine the rules of its procedure and when votes are appropriate.

Now you are alleging that all the staff workers who had his particular opinion, and again we are getting back on the thin ice of a particular case, but let me just take the principle of staff workers. As I understand, there was an anonymous CAS worker that commented, "I am going to talk with all the staff workers." I have certainly had enough dialogue with many of them to date to realize that they know there was not 100 percent success or satisfaction with how we were dealing with a lot of cases before.

It is an evolving field and there is a lot that is unknown. There is no 100 percent secure answers when you are dealing with child welfare. That's where the procedures are important, so that you are build in the benefit of as many different opinions and perspectives as you possibly can and take a considered judgment on the case.

I think the board is very aware of that responsibility. I think they have been carrying a very heavy load in a very emotionally charged time and I think they have been doing a very conscientious job. Now there is one case where they have had great difficulty, but again, I think there are going to be occasional cases that get tested. Fortunately, there is an appeal route through the court, and I would like to see several appeal routes, because I think it is going to take a lot of wisdom and work to get ourselves through this time.

A board does have the right to take a different opinion than staff workers I would hope it would very rarely occur, but again it's as if the politicians must always agree with the civil servants. Well, that's nonsense. You want your civil servants to give you the best possible analysis of a situation, point out as many of the options and the pros and cons as they possibly can, but in the final analysis it is the board that is responsible.

Now we realize that we have put a heavy load on a particular board at a difficult time. We want the transition to occur as peacefully and constructively as it can. We have authorized an increase on that board of one representative from each of the regional agencies and have invited each agency to name a person to expand that board to eleven, so that there will be the benefit of more perspectives as they work their way through the interim period until the full transfer of authority can be completed. I think the backing of them in the interim is important at the same time as we try to work out the underlying issues and questions, but I don't anticipate that it will be absolutely straight sailing.

What I do feel is important though, is that the many different opinions are getting heard. There was a time when they never did. This different perspective that the Native people had just didn't come to the fore. Now they are not automatically right, but they are entitled to have their view heard and to take part in the normal discussion and decision-making process.

MR. G. MERCIER: Could the Minister state concisely and precisely for the record, the government's policy with respect to Indian and Metis adoptions that is their policy that is being administered by the board?

HON. M. SMITH: The only policy protocol that we have issued has to do with out of province. Non-out-of-province adoption and the steps that an agency is to take in finding an in-province placement. We still have

the authority to authorize the out of province, but we have asked that they follow all these procedures prior to even considering.

Now since that policy has been in place - my figures aren't up to date beyond January - but I know then we started a year and a half ago with 74 kids, was it, on the list. We have added 24 since then and 74 have been placed in Native adoptive homes, leaving 24 yet to be dealt with. Some agencies may be interpreting that as the procedure to follow in all adoptions.

Now the unresolved issue, as far as I can see it, is does a foster placement that wishes to be permanent take precedence? To my knowledge, that has never been a policy issue that has been raised or any direction given on it. Until that does occur, there is room for debate.

MR. G. MERCIER: Mr. Chairman, the Minister has only talked about out-of-province adoptions. I think the government's policy goes further than that with respect to adoption of Indian and Metis children within the province.

HON. M. SMITH: The protocol said no out-of-province adoption. Again, there is always ministerial authority as the bottom line, that workers in the field are expected to search, first of all, through the extended family, and if that's on reserve, fine. That's the first priority for placement. If there cannot be found a placement on the extended family, then other families on that reserve. If that doesn't yield a resource, then the council of the grouping of reserves' bands in a council grouping. If that doesn't yield, then other Indian council areas and if that doesn't, then a Native family off reserve, and again, if there's no result, then a white placement or non-Native placement in the province and only after that procedure had gone through would the Minister be asked to consider an out-of-province adoption; so that was the context in which the protocol was issued.

There was not a veto on non-Native adoptions of Native youngsters, absolutely, but it was a preferred series of steps to take in an effort, and a conscientious effort, to reverse the trend that had been in place for 10 or 15 years where people estimate that up to one-quarter of the children of Native families - no, not quite that high. I don't want to exaggerate, but quite a substantial proportion were losing contact with their families. We know that there were conditions of - someone inferred - abuse or neglect that led to that, so I personally don't hold any blame for the individual workers, but I do feel that had resources been more flexibly available so that workers could move in and provide support services to those families or seek out support in the extended family, some at least of those cases might have had a different conclusion; but that it's up to us at the government level, policy level, and where we allocate resources to give that flexibility and that direction, as it were, to workers in the field. That's the process that we're engaged in now; also increasingly to give Native people, Native workers more say in what happens to their youngsters. It's going to be a developmental process; it's not going to change overnight and there are going to be a few contentious cases along the way.

MR. G. MERCIER: Mr. Chairman, if this is a policy that applies to Indian and Metis, how does the Minister define Metis?

HON. M. SMITH: The definition that's been used in the context of the constitutional talks on aboriginal rights, because we now have Metis non-status and status groups identified as having aboriginal rights which are yet to be defined, the definition we've been using is self-definition. If a person says they are Metis, we accept that as a definition.

MR. G. MERCIER: Mr. Chairman, it's very difficult for an infant to say what he or she is. Somebody makes a determination for them. What is that determination?

HON. M. SMITH: There would be the kind of procedure that has been followed, I guess the practice is, with a young child, the parent or whatever person is raising the youngster would have some say. Right away you can see that there's possibility of difference of opinion as the youngster matures. They may look Indian to some, be considered Metis by some, and they choose not to, so we will run into the question, at what age does the child decide for themselves? I think all we can do is try to say that, with a young infant, the parents or whoever has prime responsibility for the youngster would make that determination and then as the youngster matures, that their opinion would be taken into account. We can't be really more definitive than that.

MR. G. MERCIER: Mr. Chairman, let's take a situation where a mother gives up a child at birth. Say the father is status Indian, the mother is - for want of anything else - Anglo Saxon. The child is 50 percent, supposedly, status Indian. Does that child come within this government protocol or policy?

HON. M. SMITH: I presume that there'd be a lot of circumstances. No. 1, is the father known? What do they say, putative father? Is the father identified? Does the mother identify the father as status? I would say the mother would have choice. Now one can imagine a youngster who had the Native features, might in the fullness of time start getting labelled differently, but those are the kinds of issues which we will do our best to clarify, but we acknowledge that there may have to be court determination on some of these, because it's very difficult to come out with a definitive answer.

I'm quite sure, as I understand the position of the reserve agencies, they would say that that child does, in a sense, belong to them, that carries the status with him. Some of those items will require clearer definition. We have used, as a government, we've been following the self-definition rule for adults and we would also use the family choice principle.

Where it would get difficult is if there were a contest between a mother and a father and who should have prime say. As I say, I don't know whether we are ever going to get protocols that are going to cover all of those points. As I say, there will be some cases. The courts are there to provide a route of appeal when there's not agreement and I would like also to see some appeal procedure throughout the system where perhaps most of these could get dealt with without reliance on a court procedure.

A lot of these rules are going to evolve through the constitutional talks because the definition of status,

non-status and Metis is part of the talks that are going on among those groups and the Federal Government and along with us; so that we may not see full clarification on these for some years to come.

MR. G. MERCIER: Mr. Chairman, the Minister talks about the courts and the Constitution. I would like to know what the policy is of the government under the situation that I put to her. I know what the Native groups would claim. They would claim that any person with almost any degree of Native blood should come within the government's policy or protocol that she referred to of having to go through that process that she talked about. I want to know what the policy of the government is now. Do they accept the Native groups' claims?

HON. M. SMITH: I think by stating that we go on a principle of choice, we separate ourselves from being identical to taking the exact position of the Native groups.

Now, if we went back to that case you described with a status father and a WASP mother, there are all these other questions. Is the father known? Does he support the mother during the pregnancy? Is he present at the birth, or has he disappeared and she refuses to name him, in which case the mother is the person who would make the choice, the legal guardian who would make the choice for the child?

So we believe in choice and self-definition principles. As I say, if it was a couple that were common-law or married, they were both present at the birth and the father was an active person in that decision-making, I guess if they disagreed - we don't have any clear policy on that one option, if they disagreed. We believe in the choice principle but, where a father and mother disagree, I for one, don't have any clear guideline to give.

I would certainly go through a process of asking what's been done in the past. I would certainly consult all the different groupings to say, what's your opinion? Then I would try and decide whether it was within my jurisdiction to give a clear guideline, or just say, follow these procedures. If it can't be resolved through negotiation, a court case may be necessary. I mean, we cannot resolve everything from the provincial policy point of view.

MR. CHAIRMAN: Is the Member for Ellice going to speak on the same topic of discussion?

MR. G. MERCIER: I've got one more question on this.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, is the Minister then saying that, in the hypothetical example I used, the mother would determine which route the adoption process would take, whether it would go under the government protocol with respect to the different groups she referred to earlier, or whether the child could be offered for adoption in other than a Native home?

HON. M. SMITH: I thought in answering your hypothetical question, I spelled out all the hypothetical options. I said, if they were married or common-law

and the father was actively present and that the two of them had decided to give up the child, I am not sure what would take precedence. The child would, by current law, be a status Indian. The only case where the father would not be considered is if he was either unknown or had left, and the mother was the official legal guardian, in which case it would be up to her to choose. That would be my perspective on it.

MR. CHAIRMAN: The Member for Ellice.

MR. B. CORRIN: My concern, Mr. Chairperson, is that this is a very very complex issue and, I think as all members will appreciate and as I think most members of the public appreciate, there are no simple black and white answers when you're dealing with child welfare concerns.

A number of years ago, I sat as a Chairperson of a Child Welfare Treatment Panel whose responsibility it was to make treatment plans and recommendations to the Director of Child Welfare of the province. These were with respect to children who had become wards through the apprehension process. One of the things that always struck me as being remarkable was the number of children who had special needs, the number of kids who fell into the cracks and whose life crises couldn't be resolved in a simple sort of way, where you simply couldn't say, well, that child deserves and belongs for one factor or one reason or another to be put at X, Y or Z.

I must say that, as we're discussing this subject and as the interchange evolves, I am becoming concerned about where special needs kids fall in this whole pattern of protocol. We are talking about protocols where we essentially seem to have some sort of vertical layering. We have a format where there is a search of the extended family, then the extended community, then the Native family off the reserve and so on and so forth.

I am asking this question because I think it's important for the committee to know and for concerned people to know how we are dealing with the special needs kids. Are we providing some special resources to them that will enable child welfare agencies and the Director of Child Welfare to circumvent the protocol in cases of need?

HON. M. SMITH: Protocols are not laws written in stone. What they are are guidelines that are to be weighed over against the best interests of the child. What we want in the determination of best interests of the child is that the cultural appropriateness be one of the factors. A judgment will have to be made by someone, weighing the resources available and the best interests of the child. All we can do is try to put together the best-informed and thoughtful people we can to make that determination.

In terms of special needs kids, one of the ways that we are dealing with them is we have made extra money and even an aide who can be placed right in a family with the child to provide that extra support, in some cases to train the family, whether it's the natural family or a foster family or an adoptive family, to work with that child most effectively. So we are trying to free our resources so that there is a greater variety of ways to handle special needs kids.

We have an increasing proportion of the youngsters who are in care do have special needs, and we're finding we are recruiting more and more foster parents who are willing to deal with these special needs youngsters. That has, I think, been a very important development.

What we need to work through, and I referred to it earlier and it's still a crucial thing, is what are the relative rights of foster parents and extended family and of the child. What we'll have to do is have a balancing judgment call based on careful study. You know, that's the process that I want to see built in.

MR. B. CORRIN: One of the things that concerns me about the whole cultural orientation argument in placement is that it seems to me that it essentially takes away from one of the most important aspects of the problem which is quite simply, which individual is best suited and most capable of looking after and caring for the subject infant? I am not suggesting that I don't think that cultural background is significant insofar as I think there has to be some sensitivity on the part of people who foster or adopt children to the cultural background of children, but what I am suggesting is that I have always found it difficult to believe that people who would adopt a Native child or a black child or a Filipino child or a Chinese child would do so, blithely ignorant of the implications of making a decision to adopt a visible minority child. I guess I can't believe that somebody in that position wouldn't be familiar and aware of the essential, underlying problems that could concern that child and the family as that child comes to adulthood in the community and in the family.

So although I understand and appreciate why Native people are motivated to feel so concerned that there be some cultural appropriateness with respect to replacement, I have a great deal of concern for those people who are just motivated to have a child in their family, who don't have a right of appeal, who can never go to court and say, but I was next on the list, and because I wasn't Native or because I didn't live in Manitoba, my name wasn't taken into the same active consideration as the person who received the ultimate responsibility of fostering or adopting.

Although, as I said, I have nothing definitive to offer, it is probably one of the most delicate and one of most complex problems that presents itself in society.

I do know that there are people who are disadvantaged in the give and take and I guess I am a bit concerned because I don't know what we do, and I pose it as a question for the Minister perhaps, and I pose it as a question for any other concerned member of the committee. I don't know what we do to balance the interests and rights of those people who simply want to foster or adopt a child and enjoy that responsibility in society.

How do we provide any assurance or guarantee that if they are most eminently suitable and if they are responsible and perhaps the most capable prospective parents, how do we give them an assurance that their rights will be considered too and that they will be given some sort of precedence in the long line of applications?

MR. CHAIRMAN: The Member for Rupertsland.

MR. E. HARPER: Yes, I would just like to express concerns with Native child welfare. In talking, it's a very

complex matter. The subject that we are talking about is a very longstanding problem in dealing with Native people as a whole, not only with child welfare, and trying to address this situation, but declare the Indian people have viewed institutions like government and child welfare and these things that have put a lot of problems in their communities and also, trying to address it at the same time.

It is something that is not going to be easily solved. The trust that is required by Native people is not readily attainable because when you look back in history and look at the government, what its treatment of Indian people has been, to put them into reservations and then take away some of the elements of responsibility and take control of their destiny and also at the same time practising maybe genocide, in the sense of taking away children and putting them in boarding homes and residential schools where they can be taught the system of the majority.

I have gone through that system where I was taken away as a young lad, maybe at the age of eight, to be placed in a residential school where we can't even speak our language. We were strapped for speaking our language. At the same time, in order to go to school if you look at the history, in order to go to school you had to be a Christian.

This practice of government is not going to be easily attainable because Indian people don't trust governments. One of the things that has opened a new door for Indian people is the constitutional process where maybe some of the powers or some of the jurisdictions that they would like to have would be an area of child welfare, because it is their children and their belief that we can look after our own.

I think, if you look at history, we have been placed outside of any decision-making bodies and that is gradually, I believe, shaping up. Also, in respect to child welfare, it is going to be a long course in terms of discussion on how Indian people eventually could take control of their children. It is sort of an emotional feeling for me and also Indian leaders, because it's close to your heart because your children are your future and the kinds of things you believe are reflected by your children. I believe that we do have our heritage and also some beliefs and values that could be beneficial to other people.

What right does the government have not to allow Indian people to take care of their own? I believe that is a responsibility that, as a government, we have to address but there are so many complicated matters at this point in time because you are looking at the Constitutional questions and also jurisdiction. I think those will be dealt with and, hopefully, that members will be sensitive to what we talk about in terms of how we would take care of our own.

One of the examples when we talk about child welfare is that needs and cultures and heritage are not reflected in legislation or laws. You go into a community like, for instance, Red Sucker Lake, and say, well, can you look after the child, look at the circumstances, living conditions. We don't have a square footage available to any home because we live in poverty.

Or even taken on the other hand is that the extended family relationships are not taken into account. Those legislations or policies aren't reflected because I, myself, come from a big family of 14 children and I was raised

by my grandparents. I think I was taken away before I was even one year old. So if you apply those laws as they were, they would have probably charged my parents with neglect or something. Those kinds of things have to be sorted out and what is best for the child should be always maintained.

I believe we, as Indian people, should have some say in determining who should look after the child. Thank you.

MR. CHAIRMAN: The time being 5:30, we are interrupting the proceedings of this committee and then we will return at 8:00 p.m.

SUPPLY - INDUSTRY, TRADE AND TECHNOLOGY

MR. CHAIRMAN, P. EYLER: Committee, come to order. We are considering the Estimates of the Department of Industry, Trade and Technology.

Item 2.(b) - the Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, listening to reports on the radio on the weekend, the Minister announced that there had been a committee set up to advise or to see what could be done to keep the Burns Plant open in Brandon, and the Minister was indicating that it was not going to be successful. We know a fair amount about the Brandon Burns Plant, but I wonder if the Minister is intending to set up the same type of committee to investigate all the possibilities surrounding Superior Bus in Morris, Manitoba from the point of view that they remain in Manitoba.

MR. CHAIRMAN: Mr. Minister.

HON. E. KOSTYRA: Thank you, Mr. Chairman.

First of all, I believe the member stated or suggested that I said that the committee in Brandon was not successful. I don't believe I, at any time, indicated that it wasn't. I indicated to date that there hasn't been any change with respect to the Brandon Burns situation. However, the work of the committee is really just commencing, and will be continuing for some time.

In terms of the situation with Superior, the department and the government has had ongoing involvement with respect to that operation. I believe there was involvement, going back to the time when the honourable member opposite was in the same place as I am today in terms of the assistance, both the assistance that has been provided by the Government of Manitoba and the ongoing involvement of staff has been continued with respect to the situation in Morris.

In regard to the specific question, there has not been any committee set up at the present time in Morris. Some three or four months ago . . .

SOME HONOURABLE MEMBERS: Oh, oh!

MR. CHAIRMAN: Order please.
The Honourable Minister.

HON. E. KOSTYRA: Some three or four months ago, I met, along with my colleague, the Minister of Business

Development and Tourism, with representatives of the Town of Morris, the mayor and, I believe, some councillors and members of other municipalities, and I believe it was the Regional Economic Development Committee in that area in terms of looking at what options might exist in terms of reopening that plant, in terms of other economic initiatives, other economic activities in that area to attempt to deal with the employment loss, the economic loss to that community and that region.

At the time we met, we talked about the possibilities of having in place a committee similar to what has been put in place in Brandon with respect to the Burns situation. Since that meeting though, circumstances changed. The plant did, in effect, reopen under new ownership, and the need for that committee wasn't needed.

In terms of the latest developments or latest situation where this plant may indeed again then close, we would certainly be prepared to participate along with other government departments and the local community and others that are interested in forming such a committee as we initially discussed some three or four months ago.

MR. F. JOHNSTON: The Minister uses the statement that they are prepared to participate. Is he taking any initiative to try and draw all the parties together?

The Minister is quite right. There has been a long-standing participation and help or, if you want to call it, assistance from the government to Superior Bus, but Superior Bus is very important to Morris, Manitoba and, quite frankly, can become and is the only Canadian bus manufacturer of that type in Canada.

So my question is: is the Minister going to take an initiative to try and keep it here?

HON. E. KOSTYRA: Yes, indeed we have taken that initiative. There has been ongoing staff involvement in terms of the present or new operators at Morris. In addition, as a result of the news this weekend, my Deputy Minister has been in contact with the Mayor of Morris to discuss the present situation. He also has been in contact this morning with the owner of the operation, Mr. Keas, out of the United States, and will again be talking with them early next week with the possibility of meeting to explore and to further discuss the present situation.

We have also been in contact with the lawyer and the plant manager, the on-site plant manager. In addition, we have contacted the Federal Investment Review Agency this morning to raise with them concerns over the possible closure and potential moving of this plant out of the province, out of the country to see whether or not there was any undertakings with respect to the FIRA situation to keep that plant here in Winnipeg. I have just been informed that there has been a meeting set with my Deputy Minister and Mr. Keas on June 22nd with respect to finding out what the possibilities are with respect to this plant and maintaining that employment.

We have also indicated and have had discussions with the Department of Labour that, if there are any issues with respect to collective bargaining, with respect to the collective agreement, the Department of Labour

is prepared to offer assistance to the union at Morris and the owner and managers there if they need assistance in terms of anything related to collective bargaining or issues related to the collective agreement. So that is the action we have taken in response to what was reported this week.

I would just add, and I heard the comments first-hand myself really in terms of the Mayor of Morris alleging that the plant was closing, because the province would not provide a \$250,000 loan or loan guarantee. No such request has been made by the owners to the province at all. There have been discussions about various types of assistance; one time in terms of bonding and more lately in other areas. We indicated to them that, if they have a position to advance to the province with respect to some assistance, we would review it, we would look at it, but to date, nothing has been made.

My Deputy Minister did have discussions with the mayor this morning, and he indicated that he was under the wrong impression in terms of the present situation out there.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Chairman.

In an effort to attract business into the province, one of the areas that many of the companies that want to locate here have to deal with and that, of course, is FIRA. I'm wondering if the Minister could inform the House to what extent and how active FIRA is at the present time.

HON. E. KOSTYRA: I am informed that we have no difficulty here in terms of FIRA. I am also informed that 97 percent of all applications to FIRA are approved and we haven't had any difficulty here in the Province of Manitoba with respect to any applications made for businesses that are operating in the Province of Manitoba.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Mr. Chairman, the Minister says 97 percent of the applications put forward by FIRA by the province get passed. I wonder if he could indicate to the Legislature whether, in the last year or two, the province has objected to any of the applications put forward to FIRA by companies that want to locate in Manitoba or anywhere else, for that matter.

HON. E. KOSTYRA: With respect to the province's role in FIRA, I should just correct the assumption in the question. We do not make application to the Federal Investment Review Agency, contrary to what the member said. The applications are made by individual companies or concerns or individuals, as the case may be. The role of the province is on a confidential basis, are asked for concerns related to application or comment related to application.

The only objection or concerns that have been raised by the province with respect to any application are those related to employment or investment in the province, that is that we have raised concerns if there is any potential or concern of moving jobs or moving

investment out of the province or moving an operation out of the province. We would raise those kind of concerns to FIRA, asking that there be some guarantees with respect to maintaining jobs or maintaining the undertaking here in the province. That would be the only type of objection or concern that we would raise with respect to applications.

MR. R. BANMAN: I realize that the province doesn't get involved in the applications, even though industries that do come here and want to locate have to be put through that other hurdle to clear FIRA before they can effectively come here.

In light of the Minister's statement that really they are not concerned with regard to companies that are locating in here - I guess he would be concerned if they're moving labour forces out to another part of the country - could the Minister tell the committee whether or not he really believes, in light of the fact that 97 percent of the applications are approved by FIRA, that there is really any need for FIRA at the present time at the national level? In other words, it is another stumbling block which impedes investment in this country; and whether or not, from the performance which I gather that the Manitoba Government is having, is that really it doesn't play any real role, other than, providing a stumbling block and another thing for a company that wants to locate.

The Minister knows there's a small company that wants to locate - not a small company, but a fairly large company - that wishes to locate in southern Manitoba and I understand companies like that also have to apply through FIRA, so at a time when we're looking at higher unemployment figures, when we're looking at problems, do we really need an agency that throws another hurdle in the way of an industry that wants to invest here?

HON. E. KOSTYRA: I think the fact that 97 percent of the applications are approved could be, on one hand, an indication that the process is working; applications are made in such a way, or such a manner, that they do get approval. I understand that there has been considerable changes in the process and the approval mechanism under FIRA to the fact that it has been streamlined significantly in terms of the approvals and that has been recognized.

I know in recent discussions that I had at the Western Premiers' Conference with my Premier and the Premiers from other provinces they felt that it was working much better than it had been previously.

MR. R. BANMAN: I know, to a certain extent, the Minister has not got direct input into this, but he will be attending a Ministers' of Industry meeting throughout the coming year. I would imagine federal-provincial relationships with regard to Minister of Industry will continue and I guess my concern is, the Minister has said that FIRA is now working much better than it did before. I would suggest to the Minister that if throughout the country we would review the statistics with regard to FIRA, we would find that they are passing virtually everything that comes before them, and really the question that has to be asked then, is there really any need for this particular agency? I think what has happened here is that we have had a real classy case in government bureaucracy.

You have an agency that has been established, was established with a concept in mind to try and retain Canadian content. We suddenly see the politicians of all political stripes now moving away from that, trying to encourage investment in the provinces, as well as at the federal level, and what we see now is we have now seen another layer added on to our bureaucratic maze, and the justification for these people being there is that they're passing almost everything that comes before them.

I suggest to the Minister if that, indeed, is the case that doesn't mean that FIRA is working better; it means that the agency really isn't required, and I wouldn't anticipate that the people working at FIRA, or the Minister In charge of FIRA, would particularly want to disband that group because, of course, then you've got problems of where to leave the people and the results of that, on a political level, are something which this government, as well as previous governments, have tackled with themselves.

So I just suggest to the Minister that there probably has come a time, if FIRA's passing just about everything, maybe the need for the agency has gone and maybe we could save ourselves some money, as well as save a lot of hassle for potential investors into Canada from having to go through another hoop to try and locate here.

MR. CHAIRMAN: The Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you. I'd like to ask the Minister, the changes in DREE that were announced last year, I believe, as the Minister knows the development officers go out and they work very hard with people to impress them and convince them to invest in Manitoba, and also they will work with companies to expand in Manitoba. All of the work is done, in many cases, by the Manitoba Development Officers and when they have convinced a company to invest here or to expand, then the application is made to DREE and there's certainly assistance from those officers on how to make the application to DREE. When that company makes the application to DREE they have made a decision to invest in Manitoba because they have to put down where they're going, even right down to the street, so they have been convinced to come to Manitoba. Is there good co-operation from DREE at the present time and have there been many DREE applications that will create investment in Manitoba, or assist investment in Manitoba?

HON. E. KOSTYRA: The co-operation at the staff level here is excellent, as I believe it has been for a number of years. Our problem and our concerns that we've raised, and concerns we continue to have, relate not to the staff or the way they relate to the provincial department or to the companies that may make application under the program. That is good, that co-operation is continuing. Our concern is with the structure of the program and we have indicated our concerns to the Federal Minister.

There was some adjustments in their program when it was first brought in, we did raise the concern with the business sector in the province and they in turn took up the concerns also with the Federal Government.

We still have those basic concerns with respect to the concept of the program and the development index and the minimum threshold levels. We also are a bit concerned in terms of the administration of the program, because the promise of the quick turnaround in terms of approval at the national level has not happened. So the time that it takes to make a decision has been longer than was first suggested. So we are carefully monitoring the way it is administered. I repeat, it's not at a local level here. It seems to be at levels beyond the process here in Manitoba. We will continue to monitor and to continue to raise concerns.

Just recently, we did discuss this again with the other western provinces. While some of them are now recognizing concerns, they still are not as concerned as we are here in the Province of Manitoba. But we will continue to monitor and to make whatever representations are needed in terms of shortcomings in the program as we see them and as they may impact the business here in the Province of Manitoba.

MR. F. JOHNSTON: Mr. Chairman, I mentioned to the Minister earlier in the Estimates the importance of the aviation-aerospace industry in the Province of Manitoba and he referred me, I believe, to this section. I wonder if the Minister could give us an outline of the work that is being done for the advancement of the aviation-aerospace industry in the province. Are we starting to get some indication that it will be expanding here?

HON. E. KOSTYRA: The department is continuing to work very closely with the aerospace industry here in the province, and I might just spend a moment or two outlining for the member some of the activity that the government has been involved in, and some of the activity that the companies have been involved in.

With respect to Bristol Aerospace, just recently in January, 1984, we cost-shared under Enterprise Manitoba a study with respect to providing market data re a Canadian expandable satellite launch vehicle with Bristol Aerospace. There are further studies being done in that regard for market, and some critical issues analysis with respect to that operation.

We also lobbied for offsets of the Canadair CL-215 Water Bomber program for Bristol, and there has been some work given to Bristol Aerospace with regard to that program.

We have worked with Boeing of Canada with respect to their capabilities to be contenders on the CPF Program, the Ramp Program, and the LLAD Program.

We have also worked with Sperry Computing Services with respect to their involvement on the CPF Program and on other federal programs.

With respect to Standard Aero, we have lobbied Ottawa to try to get Pratt & Whitney to authorize Standard Aero as an approved repair and overhaul facility for the PT6 engine. We have also supported them in their bid to be a supplier to Canadair with respect to some of their work.

We have also worked with Composite Technology with respect to their dispute with Revenue Canada over the duty charged for some of their tooling equipment that was imported from the United States, and also assisted them with other applications.

We have also worked with General Aluminum Forgings where they had a difficulty with respect to a

branch of the Provincial Government. We have also promoted them on various Federal Government programs as well.

We have also just had a co-sponsored major ad in the national edition of the Canadian Aerospace International supplement, which was in a recent edition of MacLean's Magazine where we co-sponsored the ad with all of the major industry groups in the aerospace industry. So work is continuing with each of the companies that are active in that field.

MR. F. JOHNSTON: Mr. Chairman, in 1981, there was a tremendous amount of work done with Pratt & Whitney, and they were very seriously considering - and we weren't the only ones they were considering - in fact, I think it got down to two places that Pratt & Whitney would make a very substantial investment in a new factory in Canada. We had put together a group of people from the province, from Winnipeg, and assistance from the Federal Government, and made a very good presentation. Of course, as you know, the aerospace industry slowed down considerably in 1982, and those plans were dropped.

The Minister mentions that they are working with Pratt & Whitney and Bristol. Has Pratt & Whitney given any indication at all of reviving those plans that they had to look for another place in Canada - put it that way - to expand their manufacturing facilities? If so, are we in the running?

HON. E. KOSTYRA: The reference I made, Mr. Chairman, to the member with respect to Pratt & Whitney was lobbying the Federal Government with respect to authorizing Standard Aero as approved repair and overhaul facility for the PT6 engine.

With respect to that development he makes reference to, I am informed that there is no new activity there. To our knowledge, Pratt & Whitney do not have any plans for any further expansion with respect to their operations here or anywhere else in Canada at the present time.

MR. F. JOHNSTON: Mr. Chairman, the government has and we did previously hold shows on the basis of two types. We held shows of showing what is manufactured in Manitoba so that we could get the other industries and manufacturers in Manitoba to know what is made here so they would consider purchasing goods here. We have held shows to show the people what is required by Manitoba industries so that other industries could look at them and see if it was possible to make them here.

We did this in, I would say, you could call it the transportation industry, agricultural industry. They were very combined, and there was certainly one held in the health industry where the health people showed us the products that they had purchased in large quantities. From there, it led to close co-operation with other provinces to buy Canada. Is that program with the other provinces still in effect, and is the province still holding its own shows? I might say, are they planning any more shows in the future?

HON. E. KOSTYRA: We are continuing to participate in any of those type shows, some of which are organized

in conjunction with the Federal Government under the Buy Canada Program. There is going to be, I am informed, a major show or exhibition here in terms of the railway industry later this coming winter. We are also, in terms of the aerospace industry, going to be participating along with the aerospace industry in a major show in France. As things are picking up generally, there is going to be more activity in this area and we intend to participate wherever possible in terms of those kind of opportunities here. When we deal in the trade area, we are certainly active in trade shows that are held here or, in particular, elsewhere to assist Manitoba businesses to participate in those shows.

MR. F. JOHNSTON: Mr. Chairman, a very great concern has always reared its ugly head in the Prairie provinces and with other provinces as well and that is the quotation system. B.C. protects their industries by 10 percent, Saskatchewan has a 5 percent, and I can remember many discussions and meetings with the other Ministers regarding the protection that some provinces give their own manufacturers. It has not been the habit of Manitoba to protect their industries from the point of view of having a standard or an official write-in in their purchasing policy of 5 percent or 10 percent or whatever.

But it would seem that the neighbouring provinces, or one of the neighbouring provinces, the province at the present time - and certainly we can't even ship into Quebec unless you manufacture there - is getting a little bit more active from the point of view of protecting their people and that can be very dangerous for Manitoba manufacturers because we are a large exporter of our manufactured products for a million people, and we must export.

Mr. Chairman, I would ask the Minister if there has been discussion, or is there going to be discussion certainly with the western Ministers regarding this protection policy that seems to be coming up? That's the first question. Is Manitoba taking a look at doing anything like that?

I happen to know, and I have in writing a letter issued by the Manitoba Telephones instructing their Purchasing Department to purchase locally if there is 5 percent difference. The Telephones have obviously started to put in some sort of a policy like that. That can be dangerous. First of all, if you have one department doing one thing and another department going another way, that can be dangerous.

But is the Minister going to be having discussions with the other western Ministers regarding this policy?

HON. E. KOSTYRA: Mr. Chairman, I share the comments and concerns of the member opposite in terms of preference in terms of protectionist policies. It is certainly our view and I think the view of Manitoba businesses that we would not be well served, certainly in the long term, by having any kind of severe protectionist policies here in the Province of Manitoba because, indeed, our future lies in being able to export a good amount of what we produce, what we manufacture here in the province. That has been a position that we have adopted as a government.

There is a positive program in place, a Buy Manitoba Program to encourage the purchase of locally made,

locally produced goods by governments. There is a policy of encouraging more purchases of Manitoba-made produced goods. There is a policy of working with business to see if there are goods or services that could be manufactured or developed by Manitoba companies to serve the needs of other Manitoba companies.

As I mentioned in response to a question in question period some time ago in terms of increased rail activity, we are working with the rail company and other potential Manitoba firms to see if they can produce the goods or services that are needed, so that is the overall approach. We look at preference only if there is a very slight difference in terms of the costs of the product or the service, but we are concerned about the development in other parts of Canada.

Reference was made to the East. It's virtually impossible for a Manitoba manufacturer to sell any major goods that compete with Quebec companies in terms of purchases by the Quebec Government. Unfortunately, that trend is also developing to the west of us. We have had some recent concerns expressed to us by some Manitoba firms in terms of their ability to compete with Saskatchewan firms where they are a low bidder on projects and the Saskatchewan Government has decided to go with a firm that is located in Saskatchewan. In some cases, we are informed of considerable differences in the tendered price.

The Premier and I raised these concerns with the other western Premiers in Kelowna just a few weeks ago. In fact, I raised it at the time we were discussing international trade when we were talking about the need for less protectionism in terms of international trade, I raised the point that we are seeing an alarming growing trend in terms of interprovincial trade where there are various artificial barriers being put up.

So we have raised it and there was some discussion on that item with our counterparts in the western provinces. So we are concerned, we have raised the issue, and we are continually being on our guard to ensure that we don't get into the same kind of situation here in the province.

As I indicated, consensus of Manitoba businesses, through their associations, is that they would not support those kind of protectionist measures, or on the other hand we do from time to time have specific situations brought to our attention where Manitoba business has been denied a specific contract and it's gone to an out-of-province supplier or out-of-province firm, and that particular company comes to us and suggests that we ought to look at their particular situation. But I think the overall - I think most Manitoba businesses agree that those kind of measures will not in the long term be beneficial to the development of competitive enterprises, competitive business here in the Province of Manitoba.

MR. F. JOHNSTON: Mr. Chairman, the program regarding the railways that the Minister mentioned before, it would seem, during the question period and the bulletin that was put out by the railways, that this is now starting to move very fast and very large parts of that program were being tendered and is out. Just where does the province - the Minister mentions he is working with them. Are there any good possibilities for

this spinoff coming into Manitoba of any large nature? But mainly any spinoff at all will be welcome.

HON. E. KOSTYRA: As I indicated when I responded in question period, there were meetings held with the government and senior officials of the railway in terms of trying to maximize the benefits for Manitoba in terms of railway purchases. There has been work done by staff in terms of bringing together with officials of the railway to look at the railway's purchasing requirements and seeing where more of them can be met in the Province of Manitoba.

Staff have also been involved seeking out possible investors outside of the Province of Manitoba, operations that may exist elsewhere in terms of their potential in locating or expanding here in the Province of Manitoba in areas that could provide further goods for the railway industry. I'm informed that discussions are ongoing with three or four firms and we expect that, within the very near future, at least two of them will make positive decisions with respect to locating here in the Province of Manitoba.

MR. F. JOHNSTON: Mr. Chairman, the Minister indicated that in this section we could ask about the Manitoba sourcing directory, the alphabetical list of Manitoba manufacturers with individual products. I quite frankly have seen - I believe this is all on computer. Somebody can find out very quickly what capacities we have as far as manufacturing and what the products are developed within that capacity in the province very quickly.

First of all, is this being kept up to date? I think that anybody that is in business would recognize the value of that type of a book put out by a province.

HON. E. KOSTYRA: Yes, we're now in the process of actually working on an update for both sourcing directories for Industrial Services and manufacturers and I would expect that before 1984 is concluded that we will have both of the revised directories issued and in place.

MR. F. JOHNSTON: Just on that subject, and we'll use the reference that we've made to the railroad business or railroad contracts, do companies that are being involved with these large contracts, are they immediately contacted by our development officers and have that book presented to them or these books presented to them so that the purchasing people who will be doing the purchasing for these large projects have that information available to them regarding Manitoba?

HON. E. KOSTYRA: Yes.

MR. F. JOHNSTON: Mr. Chairman, how many officers do we have in this department at the present time and do they have specific responsibilities, as far as the different industries are concerned?

HON. E. KOSTYRA: There's 11 development officers, in terms of the Industry Branch and they do have particular sectors that they work with.

MR. F. JOHNSTON: Mr. Chairman, we certainly were all aware of the trip that the Premier made to Germany

and who was with him. What was the format of that trip, from the point of view of meeting the individuals we want to invest in Manitoba? When I say format, was it arranged ahead of time? Were they cold calls? Was there a meeting with people in Germany to see if they could advise you on who to call on or with the Canadian Embassy over there, with their Industry and Trade Departments? What was the format to try and get investment from Germany?

HON. E. KOSTYRA: There was two staff, two officials of the Department of Industry, Trade and Technology that were on that trip and they were accompanied by four private secretaries, who went at their own expense. One was a lawyer, an accountant and two real estate representatives. They spent two weeks in the major cities in the Rhine and Ruhr Valleys of West Germany. There was one large seminar co-ordinated by German officials of Thorne Riddell and there were a number of other - 15, I believe - seminars held with various other contacts dealing with the advantages of a Manitoba location.

There were also other meetings held in various areas of Germany with some large corporations and we are continuing to follow up with some direct contact through my deputy with respect to some of those initial contacts and we anticipate that one or more of these companies will be coming to Manitoba later this year, in terms of large companies, and also some of the smaller companies.

We are going to follow up this initial thrust in Germany within the next six months by further travel by staff of the department to maintain and further develop those contacts and to expand on those contacts. I might just add that the comment from the private sector participants with respect to this trip was positive. They felt that it was worthwhile and they were satisfied with the general tone and results of their mission and they are certainly responsive to looking at further such missions with their involvement to Germany.

MR. F. JOHNSTON: Mr. Chairman, the Minister mentioned seminars. I'm not quite sure what the structure or the format of the seminars are and were they well attended?

HON. E. KOSTYRA: The format of the seminars was basically overview of the province obviously and looking at specific sectors of the Manitoba economy that have the potential for growth in terms of the specific areas and specific companies that were attending those seminars.

The participation in them was good, some better than others in terms of the attendance. Overall, the department and staff were pleased with the attendance and the discussions. I should also add that the individual business people who attended also made presentations at the seminars.

MR. F. JOHNSTON: Mr. Chairman, as I said earlier in the Estimates, I believe when I was answering the Minister's statement, he mentioned Hong Kong and he has Hong Kong mentioned in his statement and I recall an article in the paper regarding Manitoba's efforts to obtain Hong Kong investment and I believe they said

that there was expectations of Hong Kong investment creating 500 jobs in Manitoba. As the Minister knows, 500 jobs is an awful lot of jobs. It takes 500 people to operate an aluminum smelter. I don't imagine that is being planned from Hong Kong, but what type of investment are we getting from Hong Kong that is going to create 500 jobs in Manitoba?

HON. E. KOSTYRA: Yes, we have been successful to date in companies or investors coming here. Within the last 12 months we have had 15 entrepreneurs from Hong Kong that have established businesses in Winnipeg which have created approximately 70 jobs to date. There are a further 25 entrepreneurs who have received visas and are very actively looking at establishing additional investments and resulting jobs in the province. There's a third category that we're dealing with about another 150 Hong Kong entrepreneurs who are on our active contact lists with respect to potential investment. So I don't believe that the report of potential 500 jobs over time is an unrealistic target to meet. We're satisfied to date that we have had some good results and we will be continuing to try to meet that target.

MR. F. JOHNSTON: Mr. Chairman, I had dealings with Joe Du, or Dr. Du I should say. Was he involved in the Hong Kong trip or who was involved in the Hong Kong trip?

HON. E. KOSTYRA: He did not participate on the major trade mission himself though he has been involved in discussions related to those efforts on a regular basis with staff and with myself.

MR. F. JOHNSTON: I wonder can the Minister outline who was on the mission to Hong Kong from the Department of Industry and Trade and Technology? I note that the Minister of Finance seems to be going to all of them, Germany, and Hong Kong, etc., but who was there from Industry and Trade and Technology.

HON. E. KOSTYRA: As the member is aware the former Minister was there on a major mission. There have been three staff who have been to Hong Kong on a number of occasions, three in total at various times. The member wanted the specific names, but three of our senior officers.

MR. F. JOHNSTON: Mr. Chairman, we used to put out a book entitled "Capital Investment Profile for Manitoba." - I'm reading from one that was '78-79. It was a report that we didn't regard as confidential; we regarded it very highly, as a matter of fact, we wanted people to know what was happening in Winnipeg Chamber and Manitoba Chamber but, I think, mainly the Winnipeg Chamber in their publications lists very often the new companies that are starting in Winnipeg and the amount of the investment. This book was always put together on the basis of the announced capital expenditure, new plant expansions, and modernization manufacturing, commercial construction projects over \$100,000, and rural openings and expansions.

Has the Minister got a book such as this that he's kept up to date? We regarded it as a public document,

in fact, we were very pleased with the amount of investment in manufacturing. Has the Minister got this type of a book that would be available to the members, or — (Interjection) — well, to the members? He can make his own decisions about how else he wants to spread it around.

HON. E. KOSTYRA: Yes, I'm informed that the publication the member refers to was recently concluded or is no longer being done by the department because it was, in effect, duplication of what is published by the Winnipeg Business Development Corporation. They publish a monthly, I believe it is monthly, listing of capital investment here in the City of Winnipeg. In effect, we are providing that information to them and also publishing that information within the department. So it was discontinued in favour of their publication.

MR. F. JOHNSTON: Mr. Chairman, Winnipeg is Winnipeg but there's a lot more to the province than Winnipeg. I would hope the Minister has records of the investment that is taking place outside of Winnipeg.

HON. E. KOSTYRA: We still keep records. It's just a matter that we don't publish it as such in a publication, but we do have that information available and it's kept track of in the department.

MR. F. JOHNSTON: Would the information be available on request to the Minister or does he suggest that we do it by order for return?

HON. E. KOSTYRA: Yes, I would be willing to provide that information to the member if he has specific time periods that he would like that information for. Give that to me but, within reason, I'm prepared to give that directly to him.

MR. F. JOHNSTON: No. I realize that it takes time to put these together. That's fine, thank you.

The farm machinery business in Australia, Mr. Chairman, that the Minister mentions. We know that Versatile is doing a tremendous amount of work there now, they're already established. Can the Minister inform us if there's going to be other companies from Manitoba expanding their markets in Australia?

HON. E. KOSTYRA: We are moving into the area of trade which is the next line. I don't know if the member would want to wait to that point for me to respond.

MR. F. JOHNSTON: Yes, that's fine.

HON. E. KOSTYRA: Okay.

MR. CHAIRMAN: 2.(b)(1)—pass; 2.(b)(2)—pass.
2.(c)(1) Trade - Mr. Minister.

HON. E. KOSTYRA: Yes, in terms of the question that was just asked. We did have the first look, if you will, in terms of - first hand look, I guess, is the way for me to phrase it as I try to find my detailed notes here - at the Australian market. There was some sense in terms of our initial intelligence that the Australian market was one that we could have a closer look at. The

department did organize a preliminary exploratory agricultural equipment mission to Australia. It included one staff person of the Trade branch of the department, and a number of industry representatives, specifically people from manufacturing concerns that are directly in the farm machinery or related fields, such as, Bonar Rosedale Western, Canadian Tool and Die, Keith Industries, Farm King, Prairie Agricultural Machinery Institute. They did participate in a major show in Australia and had a great deal of discussion with related people at that show, using the Canadian Government stand at the show. They did spend a considerable time visiting specific areas and companies and groups within Australia to look particularly at some opportunities in Australia. There was a follow-up seminar here with the broader industry representatives for the department and those that did go to Australia to provide the information back in terms of what potential they found, their general observation of the Australian market. We are now looking at the possibility of participating through the Canadian Government at some of the specific trade or, as they call them, field days in Australia later this year and into this winter.

It is felt that the mission did go off quite well in terms of both our staff, and I did have discussion directly with one of the industry representatives, Mr. Ken McKenzie, to get his perception of the market there. It is felt that we merely scratched the surface during that mission, but it is apparent that we do have some opportunities. But it is a market, because of its distance and because of other factors, that we are going to have to be very careful in terms of assisting Manitoba businesses to participate or to go into that market, because it is going to require a long-term commitment from those businesses in order to be successful in that market, though it is clear from the initial trip that there are some further opportunities for Manitoba businesses particularly in the agricultural machinery area and related areas in that market.

MR. F. JOHNSTON: Mr. Chairman, the costs of these shows, and he mentioned the petroleum show, I believe if I've got that correct, they're going into in Germany - you know, I can remember the petroleum show in the United States. I watched the Alberta Minister put on a cocktail party for something like 5,000 people. I was sort of walking around, wondering how it would ever be possible for us to get our industry in that type of shape to hold that. Certainly the Minister for Alberta at that time, and justifiably so, should do it, because of the tremendous amount of business that they did in that industry. I don't imagine that he is doing that on quite as large a scale these days.

I was informed in Ontario, in one case in France I believe, that had something like 18 people handling their section of a show. I think the Minister knows what I am getting to. These can be very very expensive things to do them right. Sometimes if you can't do them right, you might be better off to find another way or participate in the Canadian booth, providing they'll give you enough space that you can be seen, etc.

How is the Minister intending to move into these types of shows, because there is no way he is planning to do what some of the others do by the amount of this budget? I am just wondering how they are planning to do it.

HON. E. KOSTYRA: There is certainly no question that we here in Manitoba don't have the resources that are available to other provinces, particularly the larger provinces, in terms of what they do. The member will note that there is a significant, in terms of Manitoba dollars, increase in the Trade budget which is basically in the area of increased travel for staff of the department, increased assistance, looking at the Trade Assistance Program, the further development for opportunity sectors and high potential firms in terms of the trade market, the trade area.

We believe that our efforts are successful in terms of cost recovery. The reports that I receive in terms of these reports from the businesses that participate in these shows that we help co-sponsor, help arrange, is that their direct sales out of those shows and potential sales, these are figures that they give to us - we are not suggesting - is that we do gain in terms of our involvement.

But our involvement, given the nature of our industry here and the nature of our province, has to be one very selective in terms of what markets we can realistically compete in. It is obvious, and I think the member knows, that most of our efforts are directed at our greatest area of export, that being within Canada and in terms of the midwest-central United States where most of the products that are exported go to, but at the same time looking at some particular opportunities that may exist elsewhere.

So our approach is one of being selective in terms of the markets, selective in terms of the specific sectors of the Manitoba business scene that do have potential out of our borders, and to assist through trade show assistance, assist through staff of the Trade Branch to provide those opportunities for those firms to compete in those markets. We use wherever possible the services of the Federal Government in terms of their offices abroad, their offices outside of Canada, their consulate offices particularly in the United States. We participate in the shows where they have representation or space, and try to dovetail wherever possible onto those initiatives that the Federal Government is taking.

But the member is right. We don't have the kind of resources to have large, splashy cocktail parties, and we have to be more selective. It's nothing new. Not only at the staff level in the Trades Branch, but in terms of Manitoba business, we have to be selective and work a bit harder to secure those markets.

MR. DEPUTY CHAIRMAN, H. Harapiak: The Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, I wouldn't like the Minister to think I am being critical of Horst Schmid, but he did seem to have one hell of an expense account, I'll tell you.

The Minister has said you're going to be selective. Is the Minister and his department - being selective is fine and you're going to go to some because you have to, and we're going to send, I'm sure, companies down into the northern part of the United States as we always have done to assist them in some of their travelling or at least their shipping expenses of product, etc., but you know when you haven't got the resources that some of the other have, your well-trained trade officers

working through the Canadian consuls, getting information and then moving in on a one-on-one basis with a company is probably one of the most effective ways to go if you can't do it in a big way. So to the Minister, do the trade officers have specific territories, and are they in them regularly?

The Minister has mentioned that there is going to be more travelling overseas. We hope that it pays off, but there is nothing like a salesman continually knocking on doors from the point of view of talking to companies in the United States who may be able to purchase from the manufacturers in Manitoba, and advising them again with this type of material. Do they have their regular sort of territories, and are they making regular calls?

HON. E. KOSTYRA: The territories are, I guess, the reverse way around. The trade options have particular sectors of Manitoba business that they look after and then look at markets wherever those opportunities exist for that sector. As an example, the agricultural machinery area is one key one. They do have lists of contacts that they pursue and follow up on a regular basis in terms of those sectors that they look after here.

We also try to utilize staff resources of the department on kind of both sides of the ledger, if you will, in terms of the area that we previously talked about in terms of industrial development officers who may be pursuing specific industrial activity outside of the province, that they will also pursue particular trade opportunities in that country or that part of Canada or the United States that they may be travelling to for particular investment opportunities. They will also, on behalf of the Trade Branch, pursue or follow up on contacts for that branch that we try to maximize the utilization of our staff and limited resources.

MR. F. JOHNSTON: The question I would ask the Minister now, and it gets a little bit into the technical part of the operation of the department and I am more interested in the policy than the actual operation. I think the Minister knows what I mean.

There was a time when the Minister in my time had to sign every travel voucher that went outside of Manitoba and if that wasn't done, and as a matter of fact if my deputy approved it, I really didn't have much argument with it because he knew what was going on. What I would say, though, it got to be a bit of a nuisance at times but it had to be done, that was our policy. It was done on the basis so we wouldn't have five guys from Manitoba tripping over one another in one place at all times.

I would just ask if that policy is in effect for that reason?

HON. E. KOSTYRA: Yes, that policy still is in place where the approval of any government travel, I believe it's out of the province, has to be authorized by the Minister responsible for that department. So all those requests do come across my desk and there is a monthly reporting system in terms of overall government travel for all departments through Treasury Board, which is another way of just keeping a watching brief in terms of overall government travel.

MR. F. JOHNSTON: There was one occasion that we had the Canadian Consuls or representatives from their

consuls in the different offices in United States - Minneapolis, Chicago, California, etc.- and they came up and spent some time in Manitoba and we were able to have discussions with them right here and take them around the province and show them our manufacturing. By the way, it wasn't just us; it was sponsored by the Canadian Government. They went across the country.

Is there any possibility of that type of work being done with this group? Because those fellows can be very valuable in directing your trade officers and it's sometimes very valuable from the point of view that they have seen what is happening with their own eyes and when our men call, they would have more knowledge of the situation.

Is that being planned, or is the Federal Government planning it again?

HON. E. KOSTYRA: We do keep in close contact with those offices. I have met here in Winnipeg with a representative from the Chicago office. He was in. Besides meeting with him, he also spent time with staff. The officer from Los Angeles is coming in later this week and we will be having briefings and discussions with staff. I have met directly, and staff have, on a number of occasions with the officer in Minneapolis. We certainly would look forward to the opportunity of having him here in Winnipeg. He is the general officer in charge, he is relatively new, he has just been in Minneapolis for the last couple of months and, interestingly enough, his last posting was Australia.

MR. F. JOHNSTON: I thank the Minister. I know Bernie and his wife. I would warn the Minister, if he goes to Minneapolis, he is going to have to wear running shoes to keep up with him when he gets going. He is one very nice fellow. I met him in Australia when I was there.

The fellow that is in Chicago, I believe the consul - he was in Japan for awhile and if it's the same person, he is a very fine person.

There was a - I guess we would have to call it a type of seminar that was put on in Manitoba. One was a seminar and show. We put on a display of the food products that we have in Manitoba, and the Safeway Company out of the head office in Alberta, or Calgary, brought their head purchasing agents from different areas in United States up to Canada and we had the opportunity of putting a show on here as they did in Saskatchewan.

Is there any intention for that type of a program to be done? Because the Minister has stated that some of our manufacturers or our producers in Manitoba did get some pretty nice orders in their books when those guys were up here. I am not just referring to Safeway, but it's a very good idea if you can get a company such as that, that has large divisions in United States, to have their purchasing people come up and you get the opportunity to put something on for them and it's a very reasonable way of doing it because it is done here. As a matter of fact, the Safeway company paid all the expenses for their people. We didn't pay the expenses. One of our fine producers or manufacturers in Manitoba sent them all home with cowboy boots.

Is that type of activity planned?

HON. E. KOSTYRA: In terms of Safeway, that has continued. There was a delegation of Manitoba

companies that participated with Safeway in California and I am told were quite successful in terms of being able to sell products in that market. Indeed, I am told that we are successful in selling pork in Hawaii; that resulted out of co-operative efforts with the Canada Safeway.

In terms of other opportunities, I guess that is a good suggestion and I will explore with staff in terms of other opportunities with other major companies. Canada Safeway has a separate export arm that we are able to work with and I think we should look at the possibility of other such opportunities with other companies and I will certainly explore that.

MR. F. JOHNSTON: Just one more question. Does the government or this department still have the assistance of bridge financing for companies when they are exporting? That program that was available for the - in other words, the province would put up some bridge financing. There was no chance of losing the money because nothing was released until the fellow paid his bill, etc.

HON. E. KOSTYRA: I am informed that particular program was through Manitrade which was wound down prior to us coming in. That is covered now by the Export Development Agency of the Federal Government. That type of assistance is available through there and I presume that Manitoba businesses have been able to use that federal agency.

MR. DEPUTY CHAIRMAN: 2.(c)(2)—pass.
2.(d)(1) - the Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, I am going to refer to a situation briefly that maybe the Minister could answer. There was a situation involving a company in Manitoba and I'm sure that he'll recognize it - or two companies in Manitoba - that were quoting on some work at Manfor. They were considerably higher and there's no reason why the Manfor people or the government should take the quotation from the point of view that we can't pay out that much money extra for a product, but the particular products, I understand, were products that had never been made in Manitoba previously and if we'd have gotten the order in Manitoba we would then have developed the technology of how to make that product and be in a position to quote all over the world.

Is there any program available to work with a company from the point of view that this is a new technology that the company is quoting on and it would be valuable for us to have that technology come to Manitoba, and under those circumstances it could be a special circumstance where the government would take a look at the difference in the price. I understand it was a big difference in this case but I'd like to make it very clear that it wasn't explained to me as a complaint. It was explained to me from the point of view that it was too bad we didn't get that business because we would have had a new technology or a new product being made in Manitoba.

Is the Minister considering any special arrangements under those circumstances, as far as technology is concerned?

HON. E. KOSTYRA: I'm aware of the particular situation that the member has made reference to and we have met with representatives of a number of companies that were involved with respect to bidding on some of the major projects at the capital modernization at Manfor. I met, along with the Minister responsible for Manfor, and there was considerable difference in terms of the variance there that would have been of significant cost to the province, to the taxpayers of the province, in terms of having any kind of preference and we discussed this area previously.

There was some indication that if there would have been more lead time - one doesn't really know what would be sufficient in terms of lead time - they may have been in a better position to compete, to be more competitive on that bid. In that particular case, I believe the type of equipment that they were dealing with is something that is fairly specialized in terms of that operation at Manfor, indeed in other like operations across Canada, so I'm not certain in that particular case that, in the long term, there would have been any benefit; but I certainly agree that we have to do whatever we can in terms of any major government program to look at, try to assist Manitoba manufacturers through sufficient lead time, through sufficient support, to be able to develop some new technologies related to those particular operations.

That's certainly something that we're looking at in terms of potential developments here in the province and that was the case, to a degree, in terms of what happened previously with respect to - as the member is aware - Federal Pioneer, in terms of the previous hydro developments where they were able to capitalize on those developments and develop technology here in the province that was on the leading edge, as it were at that time, and one that they were able to develop and then secure markets outside of the province. So that is something that we're very much aware of; that's something that we're working on in terms of trying to get adequate lead time from Manitoba Crown Corporations, Manitoba businesses who are undertaking major projects to see that there is the potential for developing further industry here and particularly areas where there is developing or evolving technology.

MR. F. JOHNSTON: Does the department have a program or communication with businesses in some way to let them know that if they are quoting on something that they might have the capacity to make, as far as machinery and what have you is concerned, but not the actual technology, that they can call on the government to work with them with the specs and plans, etc., so that they might be able to take a shot at it?

I appreciate that you need lead time to do that and the companies would be aware of what's available to them in the technology centre if there was some communication to let them know.

HON. E. KOSTYRA: We do have plans to increase the outreach through our two major technology centres which the member is aware of in terms of letting them know, inform business of possibilities of assistance that are available through the two Technology Transfer Centres that we have in the province and staff stand

ready at any time to assist where possible in terms of the technical expertise that may exist in the technology centres or, through other means, to try to assist in that process.

I guess it has to be dealt with on somewhat of a case-by-case basis, depending on the size of the potential development and in terms of identifying suppliers that would have the potential of participating in that and we're trying to do more of that and to try to sensitize other departments of government and other agencies of government. I understand there is some development with the Manitoba Telephone System right at the present time to further explore how their purchasing policies, the kind of stuff that they purchase, and what other potential Manitoba suppliers could be developed to meet some of their needs; so we're trying to do more of that work with respect to getting more outreach through the technology centres, in particular, and through the department generally and working with the various arms of government to try to maximize those opportunities.

MR. F. JOHNSTON: Mr. Chairman, I know that the government is expanding their technologies in the computer field for the benefit of those people in that business in Manitoba. I read over his statement carefully and the report of the department and I wonder, can the Minister just sort of outline, other than computer, what technologies that they are zeroing in on for the Province of Manitoba, that they feel are the ones that will be of the most benefit to us.

HON. E. KOSTYRA: In terms of the overall thrust, we see the area that we have the best potential in terms of technology to be the whole area of adapting existing technology and evolving technology for Manitoba businesses and looking at, on a selective basis, some areas in terms of the more glamorous area, if I can call it a technology creation, to look at some specific opportunities in that area, though the overall thrust is to continue and to expand the whole thrust of actually transferring and adapting existing technology to Manitoba business to ensure that we continue to be competitive, that we continue to keep up with technology and, in essence, to transfer that technology as it develops to Manitoba businesses.

In terms of specific sectors, I would say it covers all of our major sectors within the Manitoba economy, our manufacturing sector. As the member is aware, the work that's being done through the Technology and Transfer Centre here in terms of the Canadian Food Product Centre, in terms of adapting technology there, in terms of greater food processing within the province and evolving, developing technology to the benefit of our food processing area and the same in the whole area of information technology, to look at areas where we can enhance what is developing here in terms of that industry, to look at specific areas of development that I indicated in the announcement related to the Jobs Fund, that was the developing, of course, in other related fields where there is a potential, one that is realizable and within our reach in terms of the resources of Manitoba business and the assistance that the Manitoba Government can give.

MR. F. JOHNSTON: Mr. Chairman, does the government have any program - it's close to both, it

is development of industry, but I think probably development of industry can be probably more justified right now if we are talking about technology and companies manufacturing new products in Manitoba. We have been manufacturing in this province for a long time but in very specific industries, but those industries certainly can't go on forever making the same thing.

Now, is there any program - and we didn't really have a program, and I don't see anything other than the Venture Capital Program in the Estimates or in the Jobs Fund, I believe that's where that is, the monies. If there is a situation - first of all, we're not in the area of saving jobs today. That is more or less in the Industry Department, but if a company has got the opportunity to advance with a new technology or if there is a company with a new technology coming, interested within the province, is there any assistance the province has to them?

I think the Minister probably knows - well, he wasn't the Minister there at the beginning, but there were a couple of occasions when we certainly looked at it from the point of view of new technology, not just the saving of jobs but the expansion of plants that would put them in the position of being worldwide or at least North American-wide capacity in Manitoba. We looked at them on an individual basis, and had them analyzed on the basis of return, of the new jobs, how much tax return would come in, etc.

Now, I mentioned earlier in the opening remarks that there is a terrible lot of competition out there with other provinces and with other states, etc. Does the government have any program from the point of view of assistance? Is it up-front grants or is it taxes, or are they prepared to look at them individually and do something, or are they absolutely closed mind as far as assisting industries are concerned?

Now I make the difference between assisting and becoming part-owner, but is there any program for assistance from the point of view of advancing Manitoba manufacturers? I know it's very close to industry, but I think it is more appropriate to do that if it's a new technology for Manitoba.

HON. E. KOSTYRA: Well, there is some ongoing assistance in terms of the activities of the tech centres and the ability that they have to lever other programs, whether they be Research Council Programs of the Federal Government, whether they be assistance provided under the IRDP Program.

We do have, or are putting in place, and will be discussing this in more detail in the future, a concept called the Development Agreement Concept which will be part of the Jobs Fund and is part of the Jobs Fund for this year where we will have funds available in terms of having either loan guarantees or in some cases outright grants for the establishment or further expansion of Manitoba businesses. The idea or the concept behind this development agreement will be much similar to the kind of thing the member talked about in terms of having a flexible instrument with which to sit down and negotiate on a case-by-case basis with respect to a Manitoba industry that wants to expand, or a new industry that wishes to locate here, and look at a flexible range of options in terms of what might be needed to assist them, and on the other hand to

have some commitments in terms of investment, in terms of jobs or other matters for that company to make as part of that agreement. So there would be an agreement made with the government and a particular company in terms of its investment, its expansion, its new activity here in the province, and there would be the possibility of a range of government assistance to help with that expansion.

Our obvious interest is to maximize the other programs that are available through the Federal Government. They would be the first line or the first area that we would explore in terms of assistance, but this would be a further tool that is part of the Jobs Fund this year, a new initiative which will be administered by staff of the Industry Department in terms of having a flexible instrument, flexible tool if you will, to sit down and look at possible areas of assistance for expansion or new business in the Province of Manitoba.

MR. F. JOHNSTON: I know the Minister is very close to the Jobs Fund, but when the Jobs Fund, with all this large amount of money which goes through it, does the Minister and his department have the final say on the spending of dollars in the Jobs Fund in terms of the flexibility that he is speaking of? As the Minister of Industry, does he have a lot of input in that area?

I know that there is a committee of Ministers for the Jobs Fund, but when the crunch finally comes I think it has to be the people in this department who make the final decisions or recommend the final decisions. Is that the case? Is this department the one that will have the basic or the most influence regarding the Jobs Fund in the specific area we were just discussing?

HON. E. KOSTYRA: The analysis, the contact, the discussion and negotiation will be through staff of the department, and they will make recommendation to me as Minister. I will then take the recommendation to Cabinet in terms of any such agreements, but the recommendation will be one that will be generated by this department and will be carried forward by this Minister. But the ultimate decision would be one of the Executive Council.

MR. CHAIRMAN, P. EYLER: The Member for Sturgeon Creek.

MR. F. JOHNSTON: How many staff do we have in the Technology Department? Is the staff mixed up between the technology centres, or is this . . . ?

HON. E. KOSTYRA: In this line, Mr. Chairman, there are six staff that are part of the directorate, that is, the Technology Directorate, two of which are presently on secondment to the tech centre. The rest of the staff are contained in the next lines dealing with the technology centre.

MR. CHAIRMAN: 2.(d)(1)—pass; 2.(d)(2)—pass.
2.(e) - the Member for Sturgeon Creek.

MR. F. JOHNSTON: Well, I would first ask the Minister on the technology centres and the one in Winnipeg, I believe we lease that or I don't believe the government owns the building. Has there been a new lease arranged

to make sure that technology centre is going to be there a long time, because there is a tremendous investment in those different areas of that building of equipment?

HON. E. KOSTYRA: The building is not owned by the government. It is leased. The lease has just been renewed recently for another period of three years.

MR. F. JOHNSTON: Are the technology centres administered by the Manitoba Research Council? Are they the board that makes the decision on the operation of the centres?

HON. E. KOSTYRA: Yes, as the member is aware there are advisory boards to each of the centres but the Manitoba Research Council is the overall authority with respect to those two centres.

MR. F. JOHNSTON: I wonder, the Minister might not have the breakdown here, but I wonder if he could give us some idea of how much money the technology centres are taking in now toward their operation. I think I've mentioned in the opening statement that the five year plan that was put in with Enterprise Manitoba was something that we gained a tremendously good tech centre in Winnipeg and expanded the one we had in Portage la Prairie, the Canadian Food Technology Centre. Are they starting to become more self-sufficient or is it growing steadily?

HON. E. KOSTYRA: Yes, the earned income, the income from the fee for services is increasing. To give some idea of what is happening there, for the industrial technology centre in '82-'83 the total amount of earned income was \$906,000.00. The year just ending that has increased to \$1,687,000.00. So that's a significant growth in terms of earned income.

In terms of the Canadian Food Products Development Centre in Portage la Prairie the year ending '82-'83 the total was \$357,800.00. That's grown to the year ending this past March of \$558,300.00.

So in both centres there has been a significant increase in earned income, and the objective is that will continue over the next year.

MR. F. JOHNSTON: Mr. Chairman, there was an intention after we got them sort of operating after the expansions, and as the Minister knows they were just getting into final expansion and final completion in '81. Is there a program that the technology centre has, and again this is operation, but inviting or having somebody from the tech centres go out and speak to the different chambers within the province? As a matter of fact we were even thinking at one time of inviting the chambers to come and have lunch there, inviting a group of businesses to come over and have lunch there, and take them through the centre to show them what was available.

HON. E. KOSTYRA: Yes that is continuing. There is outreach work done by the staff going out and working through the Chamber of Commerce or specific groupings of industry, or indeed individual companies as the case may be. And there is on the other side of

it companies, and groups within Manitoba industry, coming into the tech centres to be briefed and to give the tour of the facilities and the potential. I'm told that last year there was 3,500 contacts made with respect to the centre staff and people in the business community and the general community.

MR. F. JOHNSTON: Is there still a very close liaison with the Engineering Department of the University of Manitoba with the technology centres?

HON. E. KOSTRYA: Yes, there is ongoing, and there is also representation on the Advisory Committee and on the council itself from that particular faculty at the University of Manitoba.

MR. F. JOHNSTON: Mr. Chairman, I'm not here to give advice in Estimates but really here to learn things. But we had a continuing problem with the two boards, the Board for the Technology Centre and the Board for the Food Technology Centre. When I say problem with the boards - those centres are there if somebody wants to weld something together and they don't know how to do it, they're there to help them do it to make the product. It's technology that is being assistance to manufacturers to be able to do more processing within their plants.

Those boards were made up of people that were very knowledgeable about those industries. Certainly the manufacturing industry in hard line products, electrical, etc., in the technology centre. The Board for the Canadian Food Technology Centre naturally had a lot of people on it from the food industry. They knew their industries very well, and they knew the role of the technology centre very well, and they knew the role of the food centre in Portage. They had a feeling of the business they were in. But unfortunately there were times that they would make recommendations that were downright common sense and should be done in the industry.

Then you had the Manitoba Research Council there which is really what it is, research, who weren't as close. Now research is research, and technology is technology, and there sometimes can be a confusion. In fact, I don't mind telling the Minister I had a board retire on me because every time they recommended something that was good within their industry they came along and all of a sudden it was thrown out or not done. I finally got them sitting around and talking together. The Manitoba Research Council I know sounds like a very logical organization or council to be the ones in charge of technology centres but that isn't necessarily so. I think you have to take a look at research for what it is, and technology for what it is. I don't know whether there has been any problems in that way but I would certainly hope there's not. Are the two boards for the centres, let's put it this way, do they have a certain amount of autonomy on their own?

HON. E. KOSTRYA: The two boards report to the council, and the council has the final decision. I should inform the member that given the change from Enterprise Manitoba funding, those centres, and the federal-provincial agreement that governs the operation of those centres to the point that we'll be reaching

later this year where the Provincial Government will be accepting total funding responsibility for the centres, the relationship between the Manitoba Research Council and its operations of the technology centres is being reviewed.

In fact we have had a report on options for the operation of the centres and having the possibility of a separate research council rather than having the research council operate technology centres, having the research council doing - what it's original mandate was was to advise the government in the area of research and the more broader areas, and having a separate organization in place to actually operate the boards with private sector, and government involvement. So that is something that is under very active consideration to look at splitting and to have some kind of different reporting relationship in terms of the technology centres, and in terms of the research council to a more advisory role in terms of the broader areas of research and giving advice to government, and separating the more, if I can use the term, practical applications of technology that are exemplified by the two transfer centres.

MR. CHAIRMAN: 2.(e)(1)—pass.

Resolution No. 106: Resolved that there be granted to Her Majesty a sum not exceeding \$5,159,500, for Industry, Trade and Technology for the fiscal year ending the 31st day of March, 1985—pass.

Item 3.(a) - the Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, I'm hesitating a bit, because I am sure no expert in typewriters and everything else that goes with it. I just say is this the group of people that advise the government on the types of typewriters, printers, the types of computers, etc., that the government may be using?

HON. E. KOSTRYA: Yes, that's basically one of the remaining functions of this branch. The member may recall that this was formerly part of the Department of Finance, and had as its function at that time to provide essential planning and direction to government related to the use of information technologies within government. The resources were brought together at that time, going back to 1982, from other sections of government within Government Services and Finance.

Its move into the Department of Industry, Trade and Technology signalled that, on one hand, it was going to continue with that function, and still does in terms of advising the Treasury Board and other government departments; but it has now also got a development thrust in terms of the overall industrial development thrust of the department to look at the possibilities of enhancing our industries in the information technology area here in the province. So its role is expanded by virtue of its being transferred into this department; it has the dual functions, if you will, the main function still being one of advising within government, but on an increasing basis to look at how we can have further industrial opportunities related to information technologies here in the province.

MR. F. JOHNSTON: Mr. Chairman, the Minister made his announcement about the computer technologies,

etc., and I assume that I would ask here if he has signed up any of those private companies that he was working with on the new program they announced, I believe, two weeks ago? Is this the area that would be involved there? I can ask the Minister, has there been any success with signing up any of the companies mentioned in the announcement?

HON. E. KOSTYRA: As of yet, we have not formalized any agreements. There are a number that are in negotiation, actually draft agreement stage, but at this point in time, no, we have not signed any agreement though we would expect to do that in the near future as those negotiations continue and come to a hopefully successful conclusion. We are, at this point, hopeful that we are going to conclude agreements in the near future.

MR. F. JOHNSTON: Is the staff structured to be able to go out and work with manufacturers in this field to advise them what they feel they could be making in Manitoba, producing in Manitoba?

HON. E. KOSTYRA: The staff of this branch works very closely with the industry development officers within the Industry Branch. The senior staff of this branch and the people in the Industry Branch work together on these kinds of projects.

MR. F. JOHNSTON: Have we had any new companies start up in this particular industry? I know we had one that, unfortunately, had a very bad financial problem, and I think ultimately they went into bankruptcy. It appeared at the time as if they were expanding and making a product that was going to be saleable in North America, but it didn't work out. Are we having any expansion within this industry at the present time?

HON. E. KOSTYRA: Some small new companies in the information technology field, the software field, and there are other discussions going on with some of the major companies in terms of possible expansion.

MR. F. JOHNSTON: Is the government expanding their department to sell capacity to industries, etc., from the point of view of the technologies that we're speaking of, the computer technologies, and selling space on computers if you could call it that? I do recall, there was a government Crown corporation, I guess you'd call it, that closed up that was working in Canada and selling computer services to different corporations. I know that was closed down, but is the government expanding that particular type of operation?

HON. E. KOSTYRA: No, there is no government involvement of that nature. There is the Manitoba Data Services which is a separate Crown agency which happens to report to me, also, but their main function and their various activities are continuing as it was for the past number of years, basically providing the resource in the information technology area to government and related agencies. Whatever contracts they have with the private sector are ones that have been retained for some time, there are just one or two, I believe, minor contracts, but there is no thought of

any expansion in that area at all. Basically, the Manitoba Data Services continue to serve government and government-related agencies.

MR. CHAIRMAN: Order please. Item 3.(a)—pass; 3.(b)—pass; 3.(c)—pass.

Resolution No. 107: Resolved that there be granted to Her Majesty a sum not exceeding \$864,500 for Industry, Trade and Technology, Information Management, for the fiscal year ending the 31st day of March, 1985—pass.

The Minister's Salary.

MR. F. JOHNSTON: Well, Mr. Chairman . . .

MR. CHAIRMAN: Order please. We'll wait for the staff to leave.

MR. F. JOHNSTON: I'm not going to be long.

MR. CHAIRMAN: The Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, the Minister and I have had, on two occasions during these Estimates, the opportunity to speak for 40 minutes or at least close to it. The Minister made a very lengthy statement, and I made a more lengthy answer as usual . . .

A. MEMBER: Yours had more substance.

MR. F. JOHNSTON: That's right. Then, of course, the Minister had a grievance on Friday, and I spoke another 40 minutes on the grievance, so I think we have covered a lot of the waterfront on this particular set of Estimates.

I would only emphasize what we have said before and, with the threat of repeating ourselves, but I think it's one that can be repeated forever and ever, when you go through these Estimates we find the technology centres, we find trade, we find industry, we find all of the organization and the people involved for encouraging investment within this province, and a lot of money being spent to do it, a tremendous amount of money being spent to do it, maybe not as much as we would like, but that's all we have. The staff of this department is organized in such a way to do it as efficiently as they possibly can. But the government is doing everything they can to discourage investment. So you have a department on one hand that will train people who are going out, and there is really no sense having them if the government keeps continuing to pass legislation that will discourage investment within this province because there is a lot of competition out there. There's a tremendous amount of competition out there and there are other people going to be going after it.

So, Mr. Chairman, I can only say that if the Minister has any authority whatsoever - he tells me that he will have the authority of the money under the Jobs Fund of the amounts he wants to spend in industry - the authority will come under him as the expenditure.

But I would ask the Minister, and I would ask any of the members on the other side, if they ever start thinking about the fact that you send people out to do a job and they go out there all enthusiastic and all of a sudden behind them there is something pulling them back and not letting them get it done, I really don't

know that any of you could say that you would enjoy that type of situation. I don't know how this Minister could enjoy that type of a situation or even tolerate it without a real battle. As I said to the Minister before, I know how tough it is in Cabinets. I know how tough it is with Treasury Boards and Finance Ministers, but the thing is the Minister has to make it known that when we get legislation like we have presented to us today, payroll taxes, and even an atmosphere, an attitude of some of the members of the government towards business, you're going to have trouble getting your job done.

Mr. Chairman, you may go out and you talk with businesses, you have meetings with them, you hire one at \$85,000 a year to advise you, you do all of those things that would maybe encourage business people to think that you're working very hard on their behalf to have investment within the province. Then, as I repeat, and I guess we have to keep repeating and repeating and repeating until it finally comes home, then you turnaround and you discourage the whole thing by passing legislation and presenting an attitude that business is not happy with.

You can talk as you like about the President of the Canadian Manufacturers Association and the Investment Dealers' of Manitoba or Canada when he comes to Winnipeg. He's not here all the time in Manitoba. As a matter of fact, his representative at their press conference as far as the Canadian Manufacturers Association was concerned was quite different than the interview that was held in the hall.

The Manitoba people are very aware of what's going on. The Manitoba people will be the final advisors to their principles of national companies and everything as to what they do in the Province of Manitoba. They know what's happening in Manitoba as far as the attitude of the government is concerned which is discouraging investment and the members can talk as they like on the other side. The reason why private investment is up in this province is because of the core area which will give private people money that they'll invest. It's all incentive and we've gone to 70 percent public spending to investment, versus 30 percent private. It used to be the other way around.

Mr. Chairman, there has to be a reason for those things. I don't think it's the staff of the department or the staff of the Business Development and Tourism Department. I think it's obviously the decisions and attitudes of this government.

Mr. Chairman, I don't want to keep repeating myself. I have made the speech twice during these Estimates for the reasons that I said and there is nothing more important that this Minister can do and that's convince those radicals on that side that you can't keep passing legislation to discourage business. Thank you.

HON. E. KOSTYRA: I thank the member for those comments and for the comments and discussions that we've had through these Estimates. As the member indicated we have had some of this debate already in terms of how he and I and my colleagues on this side view the overall economic development atmosphere, if I can call it that, here in the Province of Manitoba. He makes reference to what he perceives as factors that are negative and that are causing concern among

those in business within industry here in the province, and which he in his view suggests are causing decline or causing a lack of investment here in the province.

I would answer that comment, that criticism, a number of ways. One is that I think one has to just look at the record of what has happened in the province as of late. As late as Friday, we saw what I think was significant news in terms of the Manitoba economy wherein the unemployment rate in this province is now the lowest in all of Canada. As I said on Friday, it's one of continuing concern to us because even at that level it's still considerable in terms of the amount of people who are out of work. But the fact that we are gaining ground on some other regions of Canada must be due in some part, and we can debate whether or not it's in large part or it's in medium part or it's in small part, but it has to be due in some part to the efforts of this government. So all of the perceived negative factors that the member outlines don't, on the face of facts, seem to be as negative as he made out to be.

There's no question that business people would rather have less of certain kinds of government regulations, government legislation, whether it's in the rates they pay for Workers Compensation, whether it's in the tax rates that they must pay in order to do business here in the province. There is no question that if they had their choice they would rather not pay as much as being levied by this government or indeed other governments, but I think the member knows and appreciates that government has a responsibility in terms of the overall health of the province, the economic health, the social health of the province and its residents. It must continually balance the needs and the concerns of not only ordinary Manitobans but those of particular groups in Manitoba society, be they labour, be they business, be they other public institutions within the province. So the fact that there has been what he perceives as negative legislation that has impacted his terms again negatively by business obviously has had a positive impact on other people or other parts of Manitoba society in terms of compensation. It's one example in terms of the kind of protection and the kind of benefits it provides to people who are injured on the job. So what I'm saying I guess is that there is some counterbalance to what is perceived as negative.

But I think the member would also agree that when business makes decisions with respect to investment, with respect to expansion of their own investment, they look at a number of factors. Government regulation, government legislation, is but one of a number. There also has to be sound reasons to locate and to have plants within a particular region. Some of those pertain to labour force, to the type of skilled work force that is available and there is an area that Manitoba rates high in most areas. There has to be the central access to markets and the readily available resources that go into that particular endeavour. Manitoba has pluses and minuses on that side as indeed has other provinces and other countries.

But I guess if I were just to kind of simplify the arguments, the neighbouring Province of Saskatchewan, with the new government there, adopted a policy of open for business. There's this philosophy that they opened the doors and they opened the province for business. They supposedly reduced government intervention and government activities that

were perceived as a block to business investment in that province. A couple of years later we now see commentators reviewing that situation saying that that approach isn't working as it was intended to. That "open for business" approach does not necessarily work in terms of economic development. What does work though, is looking at the specific sectors, looking at how you can work to enhance those sectors, the areas that a particular province or a particular area has advantages of because of location, because of its work force, because of its entrepreneurs, because of its technology or what have you, and build on those strengths rather than merely opening the doors, taking a shotgun approach to economic development and expecting to have all kinds of returns.

I believe that the approach that we have taken has been successful; I think in terms of what we see in terms of development in this province that we have had success. I think we are going to be continuing and have more success because of the kind of approach that we are taking which does look at building and developing on existing strengths, but still looking at how we ensure that those overall benefits of increased

development are shared by as many Manitobans as possible.

MR. CHAIRMAN: 1.(a)—pass.

Resolution 105: Resolved that there be granted to Her Majesty a sum not exceeding \$2,629,800 for Industry, Trade and Technology, Administration and Finance for the fiscal year ending the 31st day of March, 1985—pass.

That completes the Estimates for the Department of Industry, Trade and Technology.

The Honourable Government House Leader.

HON. A. ANSTETT: Yes, Mr. Chairman.

I believe there may be a willingness to call it 5:30 in this committee and we would commence hearing Estimates to complete the Department of Health, the Sport Estimate and the Minister's Salary for discussion of lotteries at 8:00 o'clock this evening.

MR. CHAIRMAN: Is that agreed? (Agreed)

The time being 5:30, the committee will recess for dinner and reconvene at 8:00 p.m.